



Llywodraeth Cymru  
Welsh Government

## STATISTICS

# Land Transaction Tax statistics: October to December 2022

Our quarterly Welsh Revenue Authority (WRA) statistics for Land Transaction Tax (LTT). Data includes the number of land and property transactions, tax due and value of property taxed.

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# Contents

[Main points](#)

[Statistician's comment](#)

[About these statistics](#)

[Transactions, tax due and property value taxed](#)

[Residential transactions by value](#)

[Non-residential transactions by value](#)

[Reliefs](#)

[Higher rate refunds](#)

[Tax paid](#)

[Annex: Analysis of revisions](#)

[Links to quality information and glossary pages](#)

[Feedback and contact details](#)

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# Main points

We (the WRA) present these statistics on LTT transactions that we have received by 16 January 2023.

Table 1.1 below shows:

- quarterly estimates for October to December 2022
- the percentage change against previous estimates for October to December 2021 (made in January 2022)

We explain why these comparisons are made in the [‘About these statistics’ section of this release](#) (‘Comparisons over time’).

## Table 1.1 Number of reported notifiable transactions, tax due and % change from the previous estimate one year earlier [note 1]

Transaction type	October to December 2022 [provisional]	% change (compared with October to December 2021) [note 3]
<b>Transactions [number]</b>		
Residential	14,680	-8%
Of which: higher rates residential	3,160	-15%
Non-residential	1,510	-7%

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Transaction type	October to December 2022 [provisional]	% change (compared with October to December 2021) [note 3]
<b>All transactions</b>	<b>16,190</b>	<b>-8%</b>
<b>Tax due [£ millions]</b>		
Residential	80.5	-1%
Of which: Additional revenue from higher rates [note 2]	25.9	-9%
Non-residential	18.3	-41%
<b>All transactions</b>	<b>98.8</b>	<b>-12%</b>

Source: [LTT statistics by time period and transaction type on StatsWales](#)  
(includes data back to April 2018, not presented above)

[Note 1] This table excludes any tax due from the additional transactions shown in Table 1.2.

[Note 2] This item only includes the additional revenue from higher rate transactions. This item does not include the main rate component of higher rate transactions.

[Note 3] Estimates for October to December 2021 were made in January 2022.

**Table 1.2 Tax due on additional transactions which were untypically large or with restricted detail, by financial year the transaction was effective [£ millions]**

	2018-19	2019-20	2020-21	2021-22
<b>Additional transactions which were untypically large [note 1]</b>	[w]	28.2	[w]	[w]
<b>Additional transactions with restricted detail (to protect confidentiality) [note 2]</b>	[w]	2	0	[w]

Source: [LTT statistics on total tax due including transactions with restricted detail on StatsWales](#)

[Note 1] ‘Untypically large transactions’ in 2019-20 entirely consists of a small number of public sector transactions. These transactions relate to Transport for Wales’ purchase from Network Rail of the Core Valley Line rail asset in Wales. Details of these transactions are presented here to aid transparency of this large public sector transaction, with agreement of the buyer (Transport for Wales) and seller (Network Rail). Further information on these transactions is available from the Transport for Wales website.

[Note 2] For some transactions, we are unable to provide any information other than the total tax due figure in the year, as there is a risk of revealing details of the individual transactions. These are rounded to the nearest million pounds for additional protection. They should only be included if seeking a value for total LTT revenue in the year.

[w] No transactions recorded in this category.

Comparing October to December 2022 on a like-for-like basis with October to December 2021:

- the total number transactions fell by 8% and the tax due on those transactions fell by 12%
- residential transactions fell by 8% and the tax due on those transactions fell by 1%
- of which, higher rates transactions fell by 15%
- additional revenue from higher rates residential transactions fell by 9%, although this comparison should be treated with some caution. For further information, please see **'Comparisons over time' in the 'about these statistics' section of this release**.
- non-residential transactions fell by 7%. Tax due from non-residential transactions fell by 41%.

These comparisons exclude the additional transactions presented in Table 1.2 above. The values in Table 1.2 should only be used if seeking a value for total LTT revenue in the year.

For residential transactions, the tax due for October to December 2022 fell from the highest quarterly value seen to date, in July to September 2022. The relatively high levels of tax due are mainly driven by the values of property sold.

It should be noted that **some residential tax rates and bands changed from 10 October 2022 onwards**. In the **'residential transactions by value' section of this release**, we comment that we have not seen any discernible impact on the number of transactions or tax due in the weeks before and after this change was introduced.

These changes to residential rates and bands did not affect residential transactions at the higher rates. For reasons that are not yet clear, the number of higher rates transactions in October to December 2022 was 15% lower than the same period a year earlier.

The 'residential transactions by value' section of this release shows general increases in the value of residential property. The percentage of residential transactions which had a value up to and including £180,000 has declined considerably, from 66% to April to June 2018 to 45% in July to September 2022 and October to December 2022, the lowest quarterly figures seen to date. Also, the percentage of residential transactions which had a value over £400,000 rose from 3% in April to June 2018 to 11% in July to September 2022 and October to December 2022, the highest quarterly figures seen to date. It should be noted that these trends have been uneven, with seasonal variation seen in the percentages within each year.

Over nearly 3 years from April 2018 to February 2021, monthly non-residential revenues reached between £8 million and £10 million on only 5 occasions. From March 2021 to June 2022, non-residential revenues exceeded £8 million in most months, however this amount was exceeded only once from July to December 2022. The trends in March 2021 to June 2022 were mainly driven by a small number of large non-residential transactions, of which most were purchases. We have seen fewer such large transactions in the 6 months since.

[Back to top](#)

## Statistician's comment

Adam Al-Nuaimi, Head of Data Analysis in the WRA, commented on these statistics:

“ Residential LTT revenues remained at relatively high levels in October to December, despite a fall from the record high seen in the previous quarter. Similarly the average values of residential property sold fell marginally this quarter, while remaining at relatively high levels

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historically.

“ Quarterly revenue from non-residential transactions was lower in October to December than in each of the 6 previous quarters. The earlier trends were largely driven by a small number of large transactions, of which we saw fewer in the last quarter. ”

[Back to top](#)

## About these statistics

### Introduction of LTT

From 1 April 2018, LTT replaced Stamp Duty Land Tax (SDLT) on residential and non-residential property and land interests purchased in Wales. The [tax rates and tax bands for LTT](#) vary depending on the type of transaction.

LTT statistics are not fully comparable to previous SDLT statistics. This is because different rates and bands are used in LTT. The reliefs may also be different for the 2 taxes. For example, first time buyers' relief applies to SDLT but not to LTT.

### Comparisons over time

Care should be taken with any comparisons over time which involve data from spring 2020 to summer 2021. This is due to the coronavirus (COVID-19) pandemic and changes to LTT rates. A national lockdown on 23 March 2020 resulted in the housing market being mainly closed from this date until 22 June 2020 when it partially re-opened. The market was re-opened more fully on 27

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July, to coincide with a change in LTT rates effective until 30 June 2021. There is evidence some purchasers may have brought their transactions forward to June 2021 to benefit from the temporary tax reduction.

There were some changes to LTT rates effective from 22 December 2020. Non-residential transactions and higher rates residential transactions were affected.

The main residential rates and bands for Land Transaction changed for transactions effective from 10 October 2022. Any implications of these changes are described in the 'residential transactions by value' section of this release.

Information on all these changes to LTT rates can be read at:

- [Changes to Land Transaction Tax nil rate threshold](#)
- [Land Transaction Tax – extension of the temporary tax reduction period](#)
- [Changes to the rates and bands of Land Transaction Tax](#)
- [Changes to main residential rates and bands for Land Transaction Tax](#)

There can be seasonal patterns in the property market, with higher levels of activity generally seen in the summer and autumn, and lower levels in winter and spring. It can then be helpful to compare the current period (April to June 2022) with data for the same period in the previous year.

It should be noted that in each edition of our LTT statistics, we are gradually revising downwards the **tax due** for earlier periods. This is because of **higher rate refunds** being paid out in each month (for higher rates residential transactions which were effective in earlier periods, back to April 2018).

The value for October to December 2021 will have already been subject to some of this downward revision, whereas the equivalent figure for October to December 2022 will not yet.

Therefore, in this release, we compare:

- October to December 2022 data, and
- our previous estimates for October to December 2021 (which we published in January 2022)

## Value of LTT statistics

Timely information on activity in the property market is important for policy makers. When filing an LTT return about a property transaction, the organisation paying the return has 30 days after the [effective date](#) to submit and pay any tax due. Therefore, LTT statistics are relatively timely.

Forecasting LTT revenues for Wales in future is an important use of LTT statistics. The Office for Budget Responsibility [produce LTT forecasts](#) to coincide with Welsh Government and UK Government budgets.

## Article explaining our local area statistics and how to use statistics on the higher rates of LTT

We encourage users of our statistics to read the [article explaining our local area statistics and how to use statistics on the higher rates of LTT](#). Higher rates are a complex area of LTT and can be mis-interpreted. The article is intended to support users of our statistics on how to interpret this data.

## Data available for LTT

All of the data used in this statistical release is available in a spreadsheet on the [headline statistics page](#).

Annually, we also publish geographic datasets for LTT on the [StatsWales website](#). This includes annual data by:

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- local authority
- Senedd constituency (residential transactions only)
- level of deprivation, using the Welsh Index of Multiple Deprivation (residential transactions only)
- National Parks (residential transactions only)
- built up areas (residential transactions only)

For data at the Wales level, we provide links to the relevant StatsWales datasets throughout this release.

## Timing of and revisions to LTT statistics

In our [statistical output policy](#), we explain the timing of LTT statistics. In this release, we present provisional estimates for December 2022, October to December 2022, and revised estimates for periods before this. We will revise the provisional data in future. Not all tax returns for these periods may yet have been received.

In future, we may continue to revise statistics for earlier periods to account for any amendments to transactions and new tax returns received. Reasons for this include:

- [higher rate refunds](#) being made for several years after the date of the original transaction
- taxpayers mistakenly sending tax returns to HMRC which relate to Welsh property transactions. Once the error is realised, it can take some time for the taxpayer to send the return correctly to the WRA

## Quality information and glossary pages

Please see the separate [glossary](#) and [quality information](#) while reading this

statistical release.

- We define relevant terms in the [glossary](#) as they are used in this release.
- On the [quality information page](#), we describe how Land Transaction Tax statistics meet the Code of Practice for Statistics and the dimensions of value, trustworthiness and quality.

## Pre-release access to our statistics

We publish the [list of posts which have pre-release access to our statistics](#), including for LTT.

## Properties or land sold more than once

These statistics relate to transactions which were [effective](#) in a particular month, quarter or year. A property or piece of land may have been sold more than once in that time. If so, it would feature multiple times in the statistics.

For example, in April 2021 to March 2022, our best estimate is that between 3% and 4% of transactions involved a piece of land or property which has been sold more than once in the year.

## Use of the term ‘non-residential’

Throughout this release, any use of the term ‘non-residential’ includes transactions that are not wholly residential. That is, those transactions which have both residential and commercial elements.

## Rounding of numbers presented

Throughout this release, we have rounded any data presented:

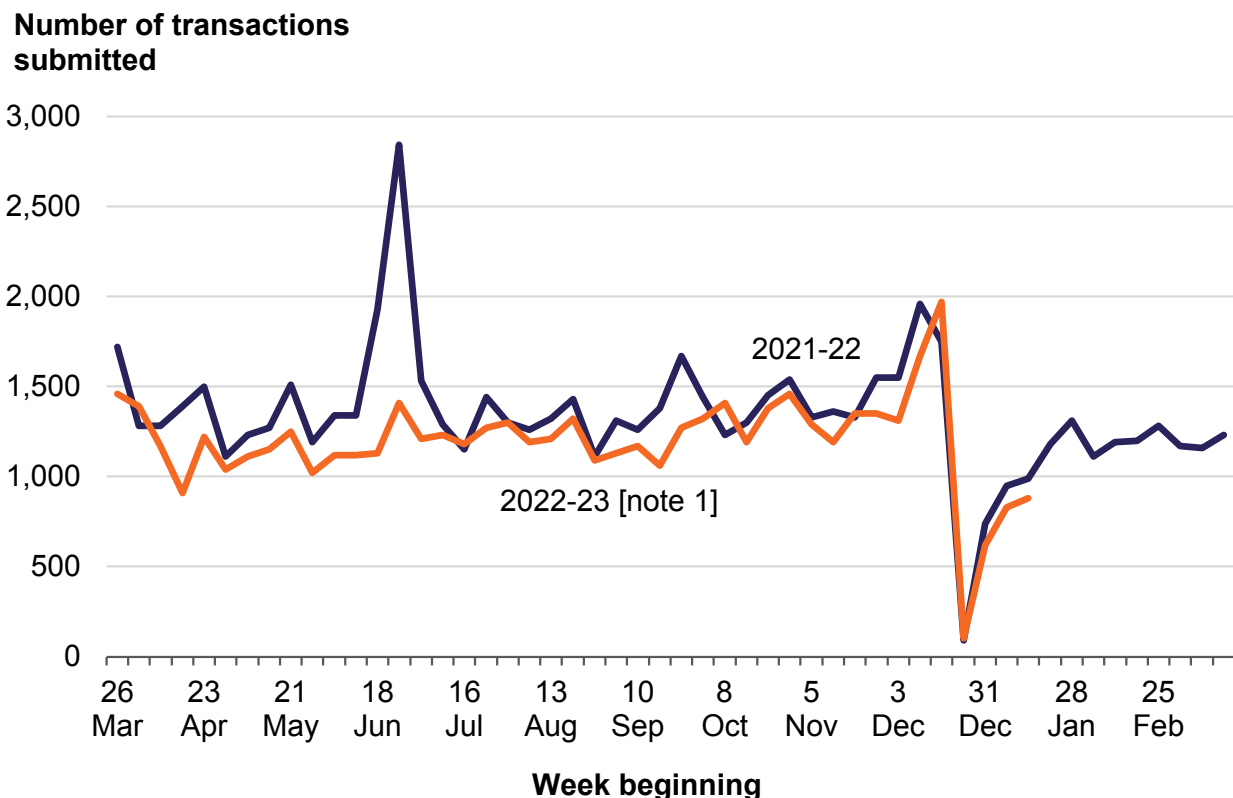
- numbers of transactions to the nearest 10
- tax amounts to the nearest £0.1 million, except transactions with restricted detail (which are rounded to the nearest £1 million)
- property values to the nearest £1 million

Any totals presented are calculated using unrounded values.

[Back to top](#)

# Transactions, tax due and property value taxed

**Figure 2.1 Weekly number of transactions submitted to the WRA**



The line chart shows the weekly number of transactions submitted to the WRA had a sharp peak in June 2021 and a sharp drop during holidays in December 2021 and December 2022. Generally, the weekly numbers of transactions submitted since April 2022 were slightly lower than the same week in the previous year.

Source: [Weekly number of transactions submitted to the WRA \(Open Document Spreadsheet, 106 KB\)](#) (includes data back to April 2018, not

presented above)

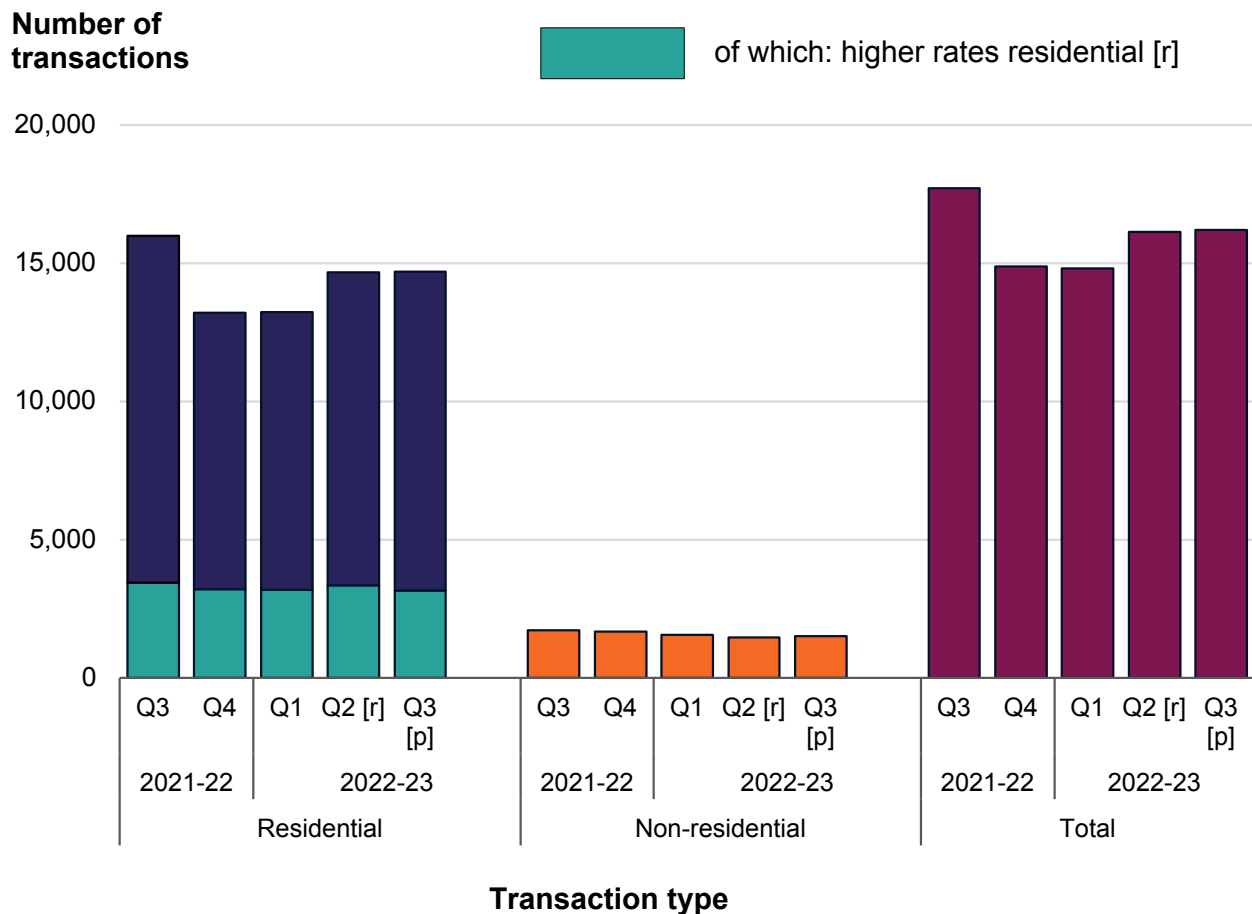
[Note 1] This includes a small number of transactions effective in January 2023.

Figure 2.1 above shows the total number of transactions submitted to the WRA in each 7-day period for the latest 2 financial years. These periods begin on a Saturday and end on the following Friday. For example, the point '14 Jan' in 2022-23 shows the number of residential and non-residential transactions submitted to the WRA from 14 to 20 January 2023 (inclusive). The actual dates differ slightly in the previous year. For example, the equivalent week in the previous year ran from 15 to 21 January 2022 (inclusive).

Figure 2.1 shows data by **submitted date** and does not use data extracted on a certain date. This differs from effective date, which is the date we use for most analysis in this release and for which we extract data as at a particular date (16 January 2023 in this release).

There was a sharp peak in transactions submitted at the end of June 2021. This peak is associated with the **temporary tax reduction period that ended on 30 June 2021**. A record 2,840 transactions were submitted in the week beginning 26 June 2021, with many of those being submitted on 30 June 2021. The weekly number of transactions submitted then fell to a more usual level from July 2021, except for a smaller peak of 1,670 transactions seen in the week beginning 25 September 2021. The fall in transactions in the week beginning 16 April 2022 coincides with public holidays. Weekly submitted transactions in 2022-23 have generally remained below the figures for the same weeks in 2021-22.

**Figure 2.2 Number of transactions, by transaction type and quarter the transaction was effective**



The bar chart shows the quarterly number of residential transactions was lower in October to December 2022 than the same period a year earlier and exhibited seasonal patterns in the intervening quarters. The quarterly number of non-residential transactions was lower in October to December 2022 than the same period a year earlier.

Source: [LTT statistics by time period and transaction type on StatsWales](#)

(includes data back to April 2018, not presented above)

[p] The values for October to December 2022 are provisional and will be revised in a future publication.

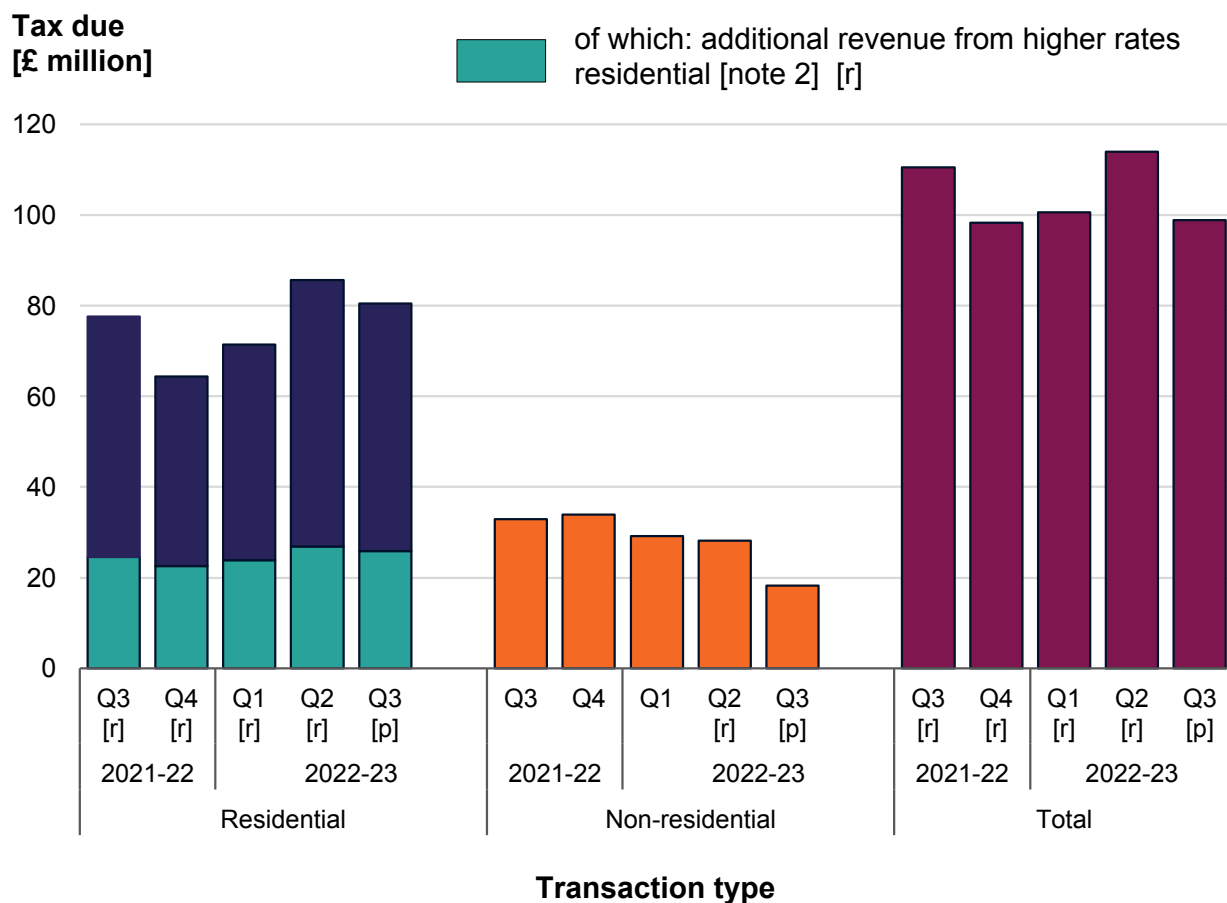
[r] The relevant values for July to September 2022 have been revised in this publication. Higher rates residential transactions for earlier periods have been revised downwards due to higher rate refunds being claimed.

By the close of 16 January 2023, we received details of 16,190 **notifiable transactions** with an **effective date** in October to December 2022. This is 8% lower than October to December 2021 (estimate taken in January 2022).

The corresponding changes for residential, higher rates residential and non-residential transactions were decreases of 8%, 15% and 7% respectively. Commentary on Figure 2.5a later in this section discusses the trends for all residential tax due and additional revenue from higher rates. Similarly, commentary below Figure 2.5b provides insight into the trends in non-residential tax due.

In October to December 2022, 91% of transactions were residential and 9% were non-residential, similar to the previous three-month period.

**Figure 2.3 Tax due on transactions, by transaction type and quarter the transaction was effective [£ million] [note 1]**



The bar chart shows the tax due on transactions in October to December 2022 was lower than the same period a year earlier. A small increase in tax due on residential transactions was offset by a large decrease for non-residential transactions.

Source: [LTT statistics by time period and transaction type on StatsWales](#)

(also includes data back to April 2018, not presented above)

[Note 1] This chart excludes any tax due from the additional transactions shown in Table 1.2.

[Note 2] This item only includes the additional revenue from higher rate transactions. It does not include the main rate component of higher rate transactions.

[p] The values for October to December 2022 are provisional and will be revised in a future publication.

[r] The relevant values for July to September 2022 (and earlier for residential transactions) have been revised in this publication. This will particularly be due to higher rate refunds being claimed.

The total **tax due** for transactions with an **effective date** in October to December 2022 was £98.8 million. This is 12% lower than the October to December 2021 (estimate taken as at January 2022). The corresponding changes for tax due from residential, additional revenue from higher rates residential, and non-residential transactions were decreases of 1%, 9% and 41% respectively.

Commentary on Figure 2.6a later in this section discusses the trends since for all residential tax due and additional revenue from higher rates. Similarly, commentary below Figure 2.6b provides insight into the trends in non-residential tax due.

As noted in Figure 2.3 above, these comparisons exclude any tax due from the additional transactions shown in Table 1.2.

## **Figure 2.4 Value attributed to properties subject to LTT,**

# by transaction type and quarter the transaction was effective [£ million] [note 1]



The bar chart shows the value of properties subject to LTT in October to December 2022 was lower than the same period a year earlier. Decreases in both the value of residential transactions and of non-residential transactions contributed to this.

Source: [LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

[Note 1] Any property value associated with the additional transactions shown in Table 1.2 is excluded here.

[Note 2] Newly granted non-residential leases may have either, or both, a premium and a rental value (the term 'premium' is more accurately described as 'consideration other than rent'). The rental value is the net present value (NPV) of the rents'. In this chart, only the premium element is included in the total. The rental value is not presented in this chart. The rental value should not be added to the total property value taxed, as these are different concepts. More information on these transactions having a rental element can be seen in 'non-residential transactions by value' section of this release.

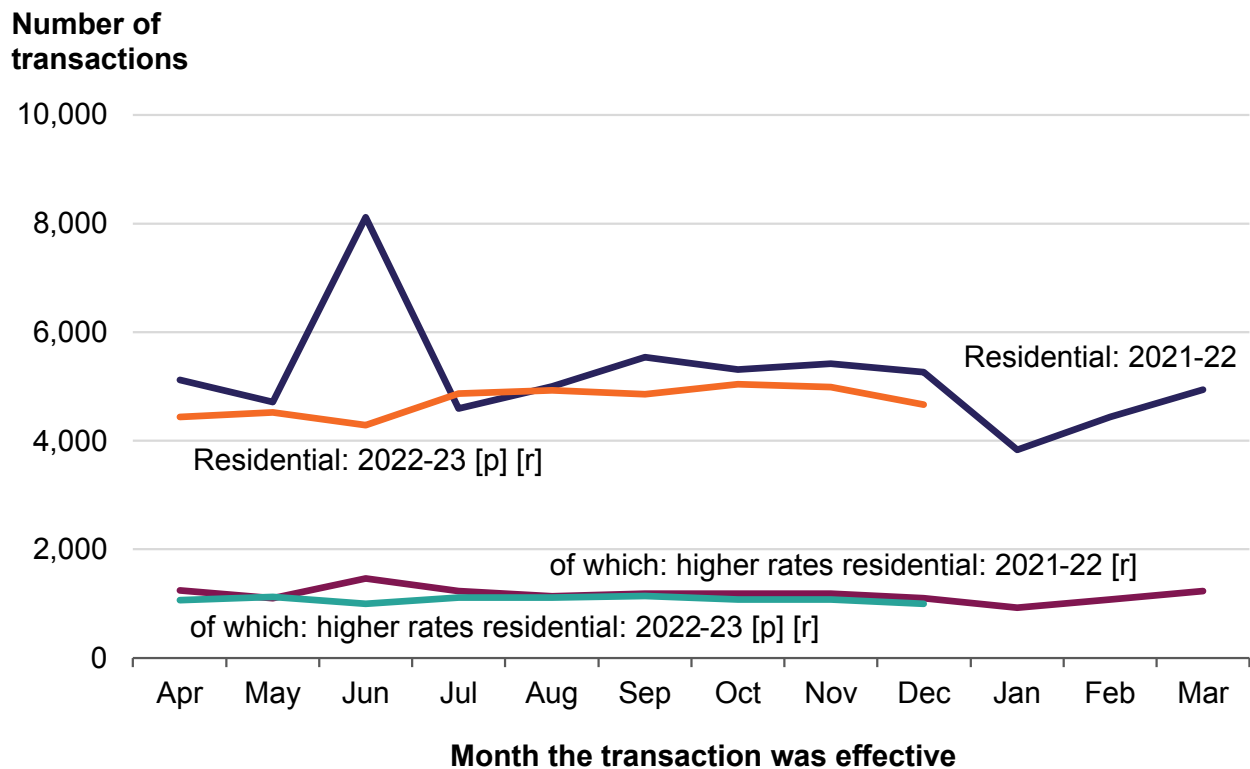
[p] The values for October to December 2022 are provisional and will be revised in a future publication.

[r] The values for July to September 2022 have been revised in this publication. Values of higher rates residential transactions for earlier periods have been revised downwards due to higher rate refunds being claimed.

The **value of property taxed** in October to December 2022 was £4.2 billion. This is lower than the £4.4 billion seen in October to December 2021. Though, generally we have seen increases over time in the average value of properties taxed. Please see the 'residential transactions by value' section of this release for more commentary.

(not shown in Figure 2.4) Separately, in October to December 2022, the rental value for newly granted non-residential leases was £189 million. The equivalent figure in October to December 2021 was £206 million.

**Figure 2.5a Number of residential transactions, by month the transaction was effective**



The line chart shows the monthly number of residential transactions in April to December 2022 was generally lower than the same months a year earlier, particularly in June 2022. Within those figures, higher rates residential transactions were similar to the same month a year earlier, except June 2022 was considerably lower.

Source: [LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

[p] Values for December 2022 are provisional and will be revised in a future

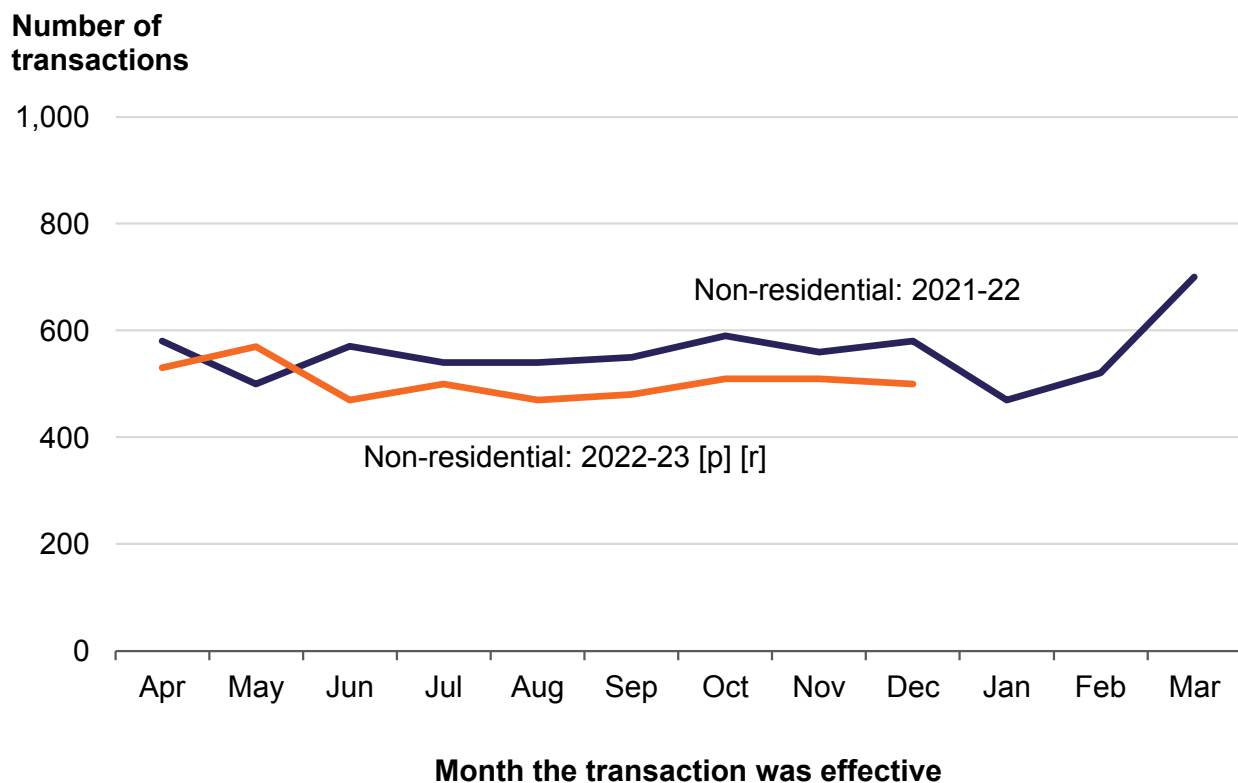
publication.

[r] Values for September to November 2022 are revised in this publication. Higher rates residential transactions for earlier periods have been revised downwards due to higher rate refunds being claimed.

In a typical year, the number of residential transactions by effective month vary somewhat. There is general seasonality with more transactions in the summer and autumn months, although some fluctuation is due to there being 5 Fridays in particular months, rather than 4. Figure 2.9 in [our annual statistical release](#) shows that 45% of transactions effective in April 2021 to March 2022 have an effective date that is a Friday.

Analysis of the impact of COVID-19 restrictions from March 2020 is presented in earlier releases. In June 2021, a record monthly number of residential transactions was seen, coinciding with the [temporary tax reduction period which ended on 30 June 2021](#). This also affected July 2021 which saw lower transactions than would typically be expected, as some had been brought forward to June 2021 or earlier to benefit from the temporary tax reduction. Since April 2022, residential transactions have been below the same month in the previous year, except for July 2022.

**Figure 2.5b Number of non-residential transactions, by month the transaction was effective [note 1]**



The line chart shows that in April to December 2022, the monthly number of non-residential transactions was lower than the same month a year earlier, except for May 2022. There was a notable rise in transactions in March 2022 from the previous month.

Source: [LTT statistics by time period and transaction type on StatsWales](#) (also includes data back to April 2018, not presented above)

[p] Values for December 2022 are provisional and will be revised in a future publication.

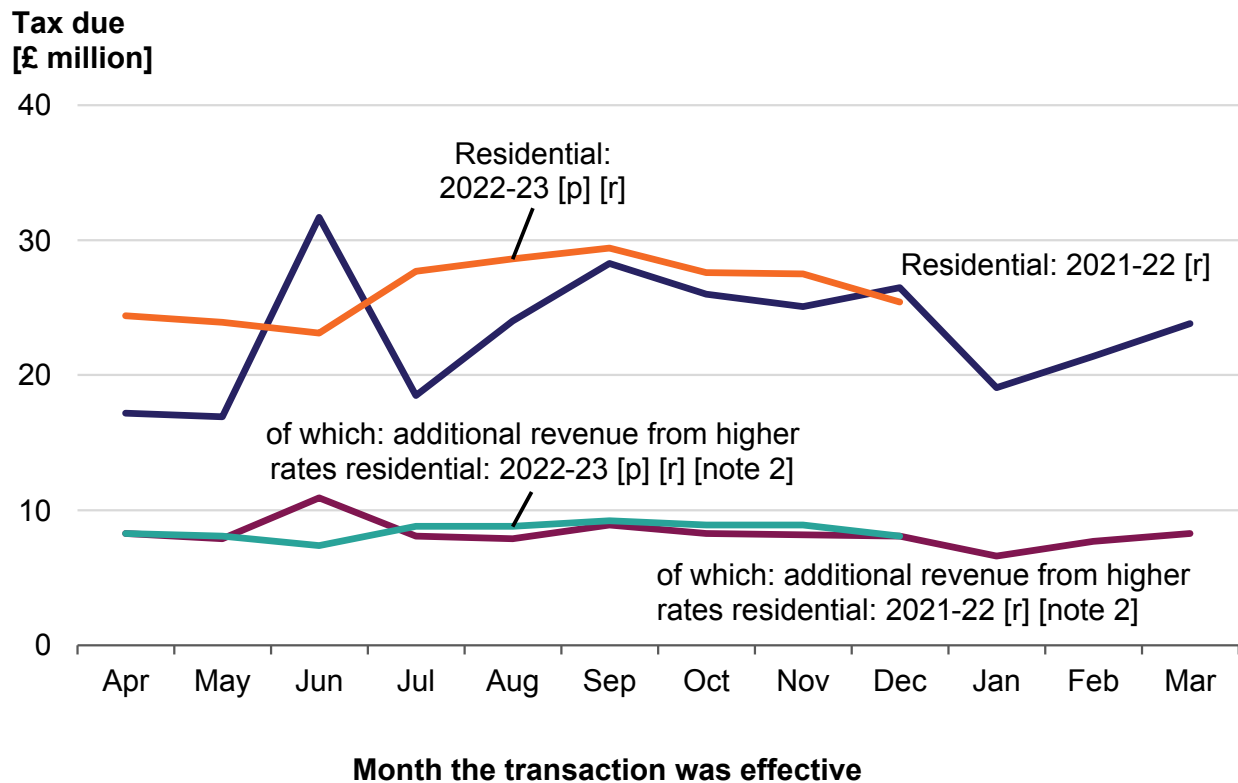
[r] Values for September to November 2022 are revised in this publication.

The scale of Figure 2.5b is different to that of Figure 2.5a.

In March each year, we see an increase from the previous month (February) in non-residential transactions. This may generally be due to non-residential leases to be renewed at the end of the financial year. However in March 2022, the increase in non-residential transactions over February was due to purchases, and the reasons for this are unclear. Since April 2022, the number of non-residential transactions has generally been lower than the same month a year earlier.

Analysis of the impact of COVID-19 restrictions from March 2020 is presented in earlier releases.

**Figure 2.6a Tax due on residential transactions, by month transaction was effective [£ million] [note 1]**



The line chart shows that in April to December 2022, the monthly amount of tax due on residential transactions was higher or similar to the same month in the previous year, except for June and December. Within those figures, the additional revenue from higher rates residential showed similar trends.

Source: [LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

[Note 1] This chart excludes any tax due from the additional transactions shown in Table 1.2.

[Note 2] This item only includes the additional revenue from higher rate transactions. This item does not include the main rate component of higher rate transactions.

[p] Values for December 2022 are provisional and will be revised in a future publication.

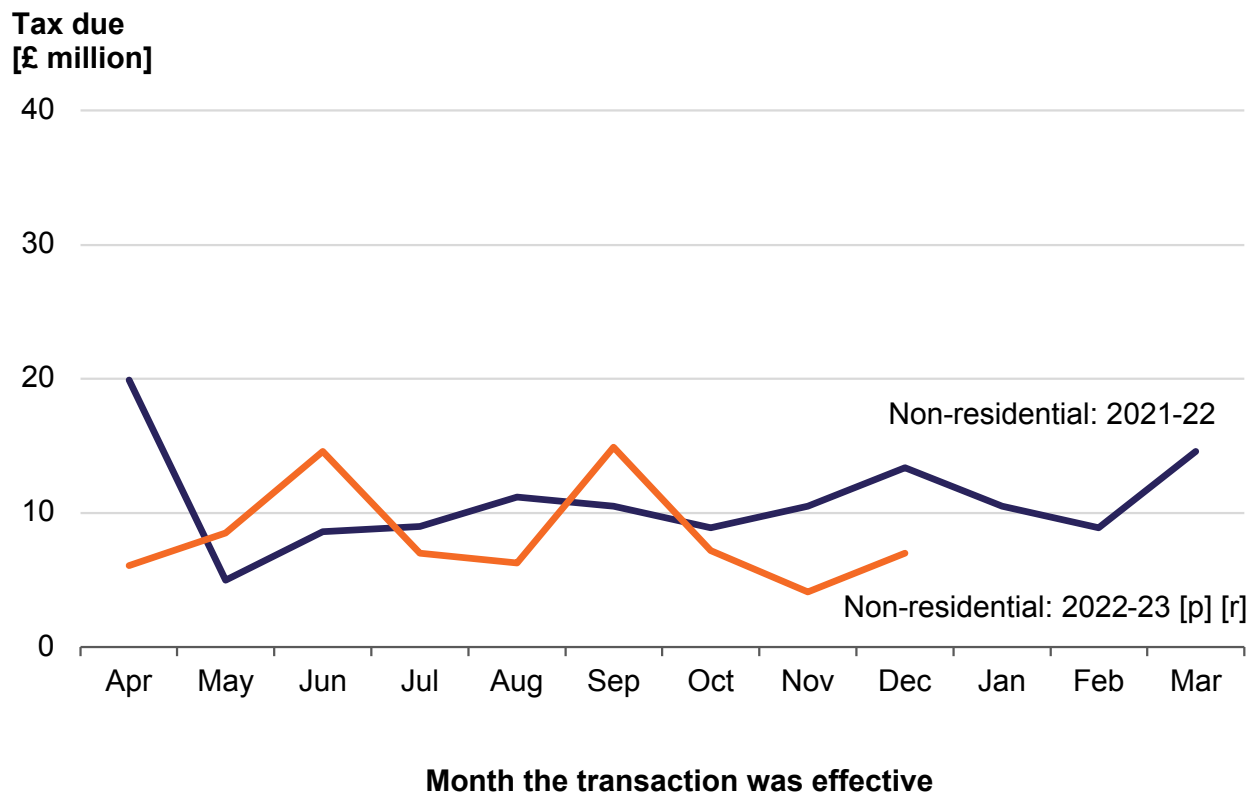
[r] Values for November 2022 and earlier have been revised downwards in this publication. This is to account for refunds of the higher rates of residential tax being paid out.

As may be expected, similar trends are generally seen in the monthly residential tax due and the monthly counts of transactions. Though record residential revenues were seen in June 2021 before falling in July 2021. This was likely due to some transactions being brought forward in the year to benefit from the temporary tax reduction period.

Residential revenues then increased, with monthly revenues in September to December 2021 being the highest seen to date at that time, except for the June 2021 peak. This will be mainly due to a rise in the value of residential transactions, described in **'residential transactions by value' section of this release**. Residential revenues were lower in January and February 2022 than the months around them, consistent with the expected seasonal trends in the property market.

Since April 2022, residential revenues have been higher than or similar to the same month in the previous year, except June 2022. This largely reflects the strength in property values in the first half of 2022-23. Monthly revenues then declined in 3 successive months to December 2022. It is unclear if these declining trends will continue in future and we will continue to monitor this in the remainder of the financial year.

**Figure 2.6b Tax due on non-residential transactions, by month transaction was effective [£ million] [note 1]**



The line chart shows that in April 2021 to June 2022, the monthly tax due on non-residential transactions was above £8 million in most months. From July to December 2022, the monthly tax due was above £8 million in only one month: September 2022.

Source: [LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

[Note 1] This chart excludes any tax due from the additional transactions shown in Table 1.2.

[p] Values for December 2022 are provisional and will be revised in a future publication.

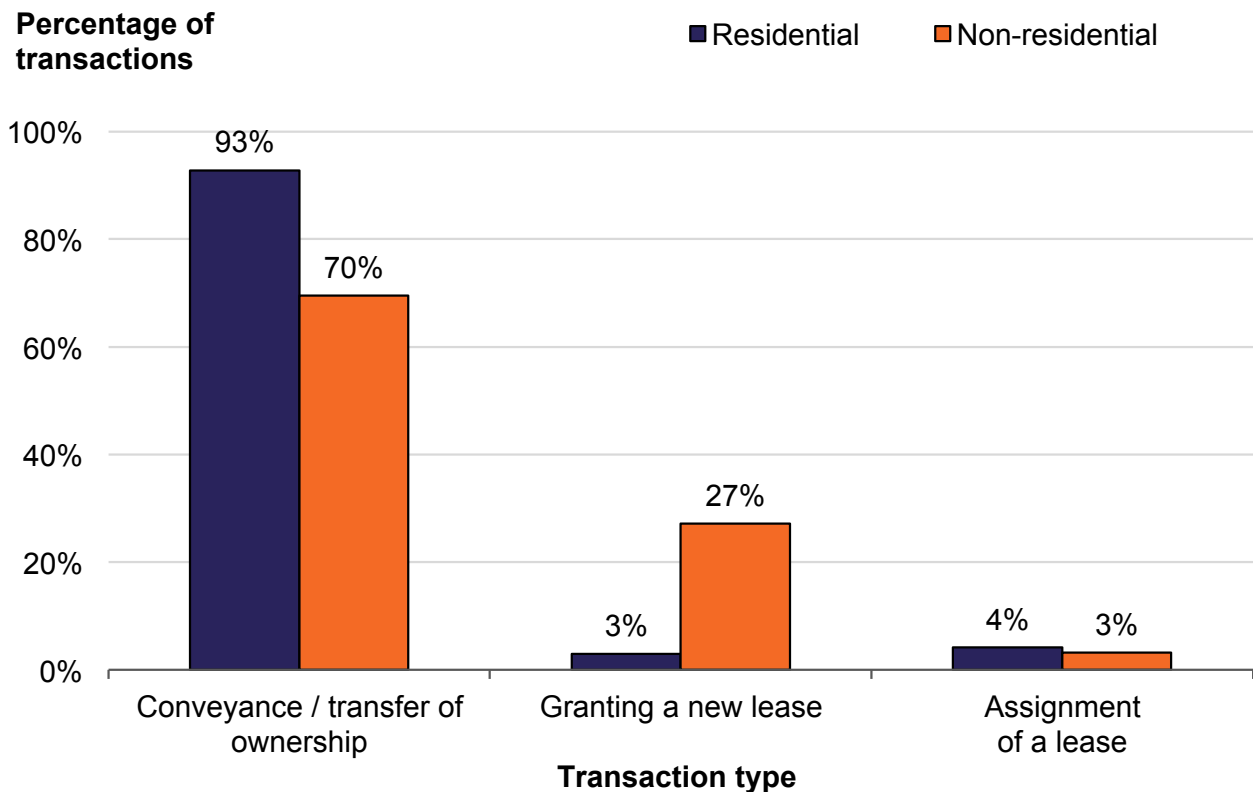
[r] Values for September to November 2022 are revised in this publication.

In April 2021, record monthly revenues were seen due to a small number of high value non-residential transactions. Revenues then dipped in May 2021, before rising over the following months. These recent increases in revenue are driven mainly by conveyances or transfer of ownership.

Over nearly 3 years from April 2018 to February 2021, monthly non-residential revenues reached between £8 million and £10 million on only 5 occasions. From March 2021 to June 2022, non-residential revenues exceeded £8 million in most months, however this amount was exceeded only once from July to December 2022. The trends in March 2021 to June 2022 were mainly driven by a small number of large non-residential transactions, of which most were purchases. We have seen fewer such large transactions in the 6 months since.

Generally, there is greater volatility in the monthly series for non-residential transactions (than for residential transactions). They also make up a larger share of total tax due than the share of the number of transactions.

**Figure 2.7 Percentage of transactions which are of each transaction type, October to December 2022 [provisional]**



The bar chart shows that in October to December 2022, the vast majority of residential transactions were conveyances or transfers of ownership. This value was over two-thirds for non-residential transactions, with just over a quarter of non-residential transactions being grants of a new lease.

Source: [LTT statistics by transaction type and transaction description on StatsWales](#) (includes data back to April 2018, not presented above)

The value of the properties associated with conveyances and transfer of ownership during October to December 2022 was £4.0 billion (not shown in

Figure 2.7).

Most transactions were associated with a conveyance or a transfer of ownership. This figure was 93% for residential transactions and 70% for non-residential transactions.

A new lease was granted in 27% of non-residential transactions (compared with 3% of residential transactions).

Similar percentages are seen in previous three-month periods and years.

[Back to top](#)

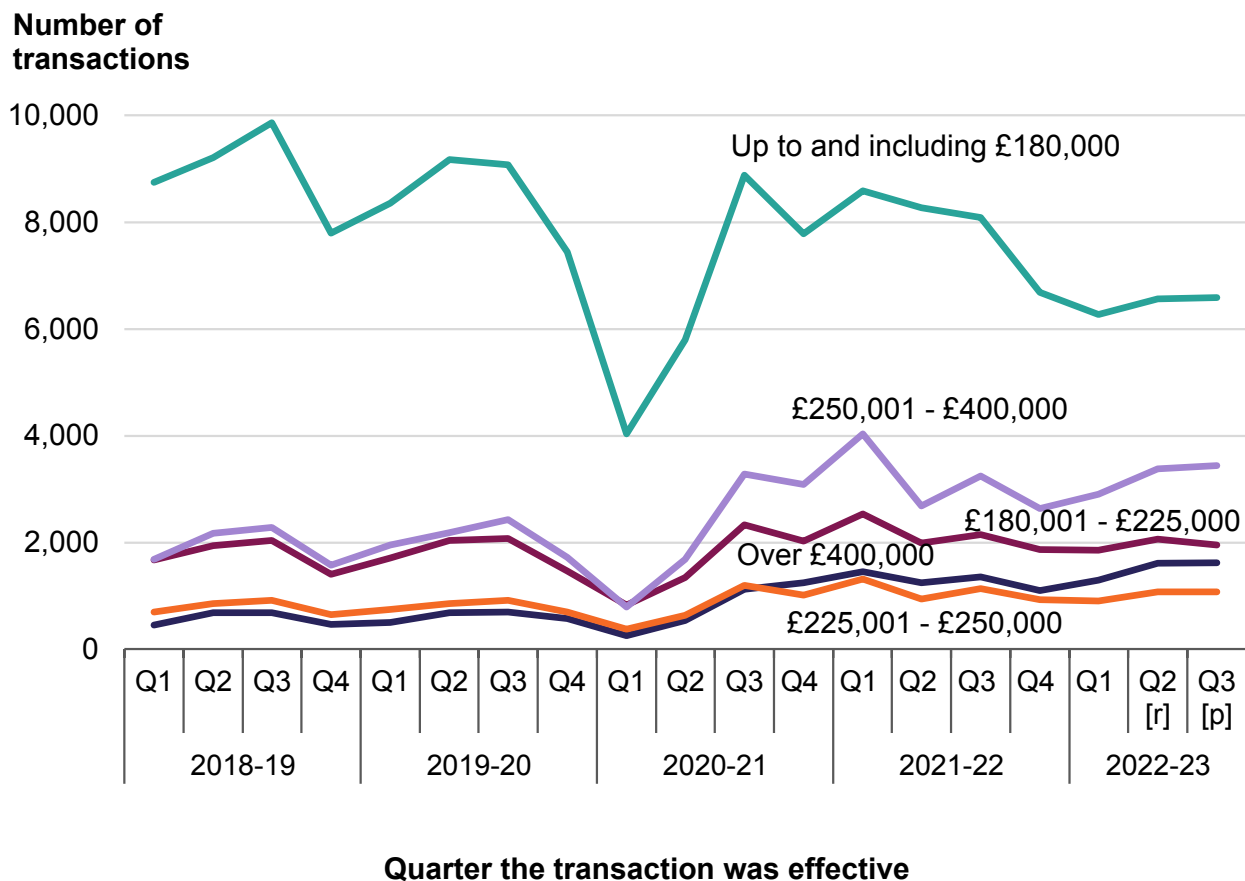
## Residential transactions by value

### Changes to main residential rates and bands effective from 10 October 2022

On 27 September 2022, the Welsh Government announced the [main residential rates of LTT would change from 10 October 2022](#). The charts in this section of the release therefore split the previous band '£180,001 to £250,000' into '£180,001 to £225,000' and '£225,001 to £250,000'.

(Not presented here) We have examined the weekly trends in transactions submitted and transactions effective in the weeks before and after the rate changes were implemented. We have not seen any noticeable impacts of these changes upon the number of transactions and tax due. It should however be recognised that there were wider economic effects which could have masked any impact of the rate change in our data.

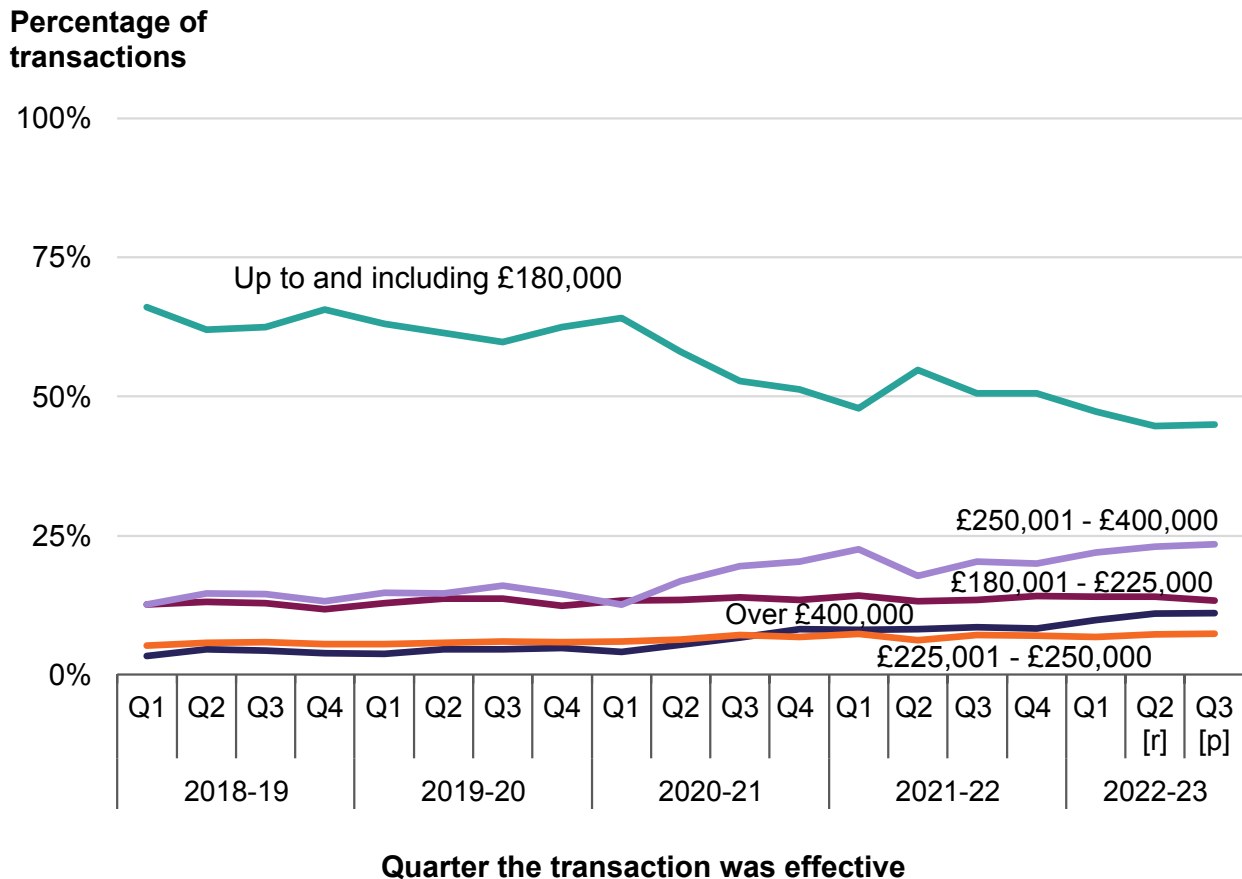
**Figure 3.1a Number of residential transactions, by residential tax band and quarter the transaction was effective**



The line chart shows the number of residential transactions in the band 'up to and including £180,000' fell considerably in January to March 2022. The quarterly number of transactions in the 'over £400,000' band has been higher in the past 2 years than the preceding 2 years.

**Figure 3.1b Percentage of residential transactions in each**

## tax band, by quarter the transaction was effective



The line chart shows that since April 2018, the quarterly percentage of residential transactions in the 'over £400,000' band generally increased, to the joint highest value seen to date in October to December 2022. Conversely, the percentage of transactions in the 'up to and including £180,000' band generally fell to the joint lowest quarterly value seen to date in October to December 2022.

Source: [LTT statistics by time period and residential transaction value on StatsWales](#)

[p] The values for October to December 2022 are provisional and will be revised

in a future publication.

[r] The values for July to September 2022 have been revised in this publication.

Figures 3.1a and 3.1b show quarterly trends in the number of **residential transactions**, and percentage of transactions, in each tax band. There are 6 residential tax bands. We have combined the largest 3 bands here to show results for properties purchased for more than £400,000.

Despite the impact of coronavirus (COVID-19) from March 2020 and the recovery which followed, seasonal trends can still be seen in the numbers of transactions. In Figure 3.1a, most of the tax bands show a fall in the number of transactions in January to March (compared with the preceding October to December). Analysis of the impact of COVID-19 and previous changes to LTT rates is presented in previous releases.

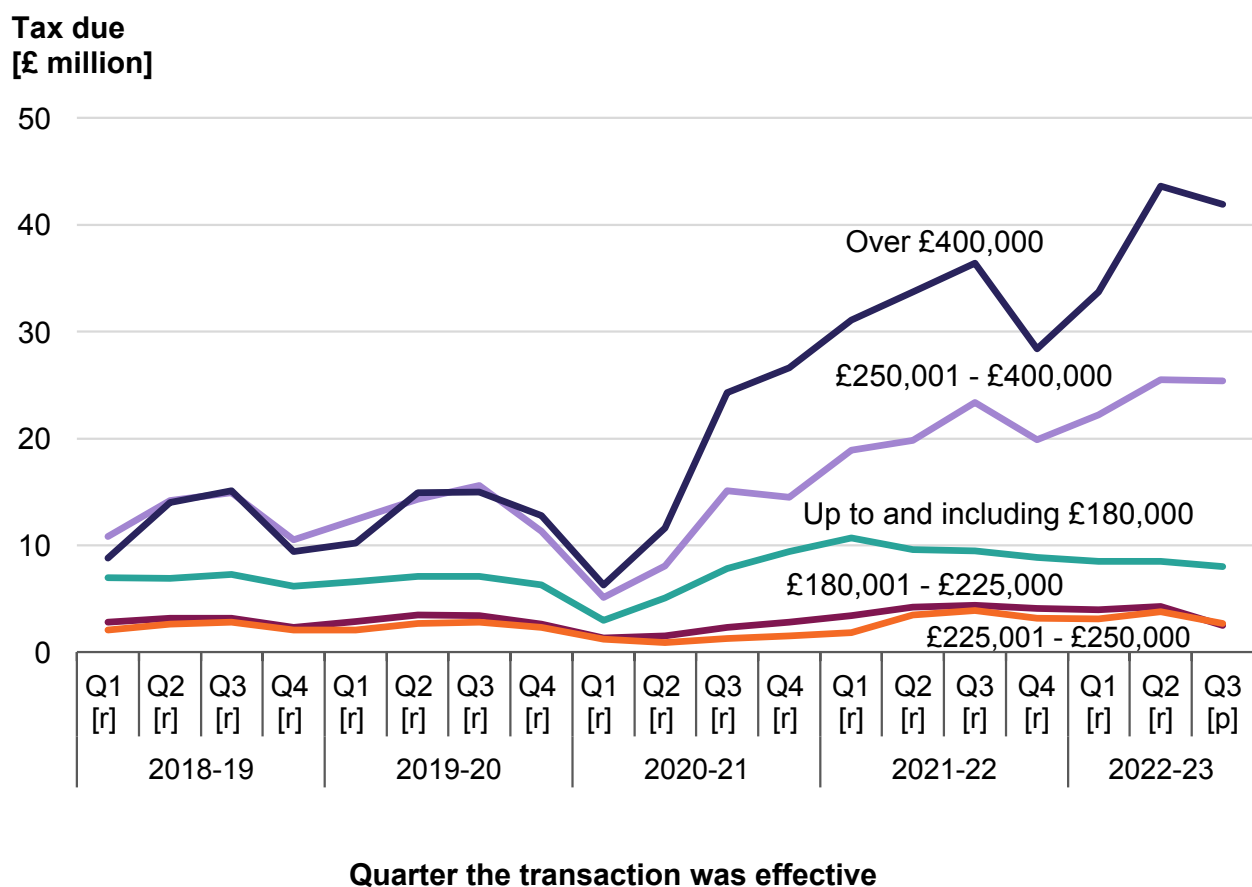
Figure 3.1a shows that in April to June 2021, the numbers of transactions in each band were the highest seen to date (except properties purchased for up to and including £180,000). In April to June 2022, the number of transactions in each band was lower than the same period a year earlier. In the past 2 quarters, there have been fluctuating trends with increases and falls in most of the bands.

Figure 3.1b generally shows falls in the percentage of transactions with a value up to and including £180,000, and rises in the percentages of transactions in the higher value bands. Though there are seasonal variations in these figures. Before the COVID-19 pandemic began, between three-fifths and two-thirds of residential transactions in each three-month period had a value up to and including £180,000. In July to September 2022 and in October to December 2022, these figures were 45%, the lowest quarterly percentages seen to date.

The percentage of transactions with a value £250,001 to £400,000 was 13% in April to June 2018, rising to 23% in July to September 2022 and October to December 2022. Before the COVID-19 pandemic began, 3% to 5% of

transactions in each three-month period had a value of over £400,000. In July to September 2022 and October to December 2022, these figures were 11%, the highest quarterly percentages seen to date. It should be noted there were seasonal variations in all the figures described.

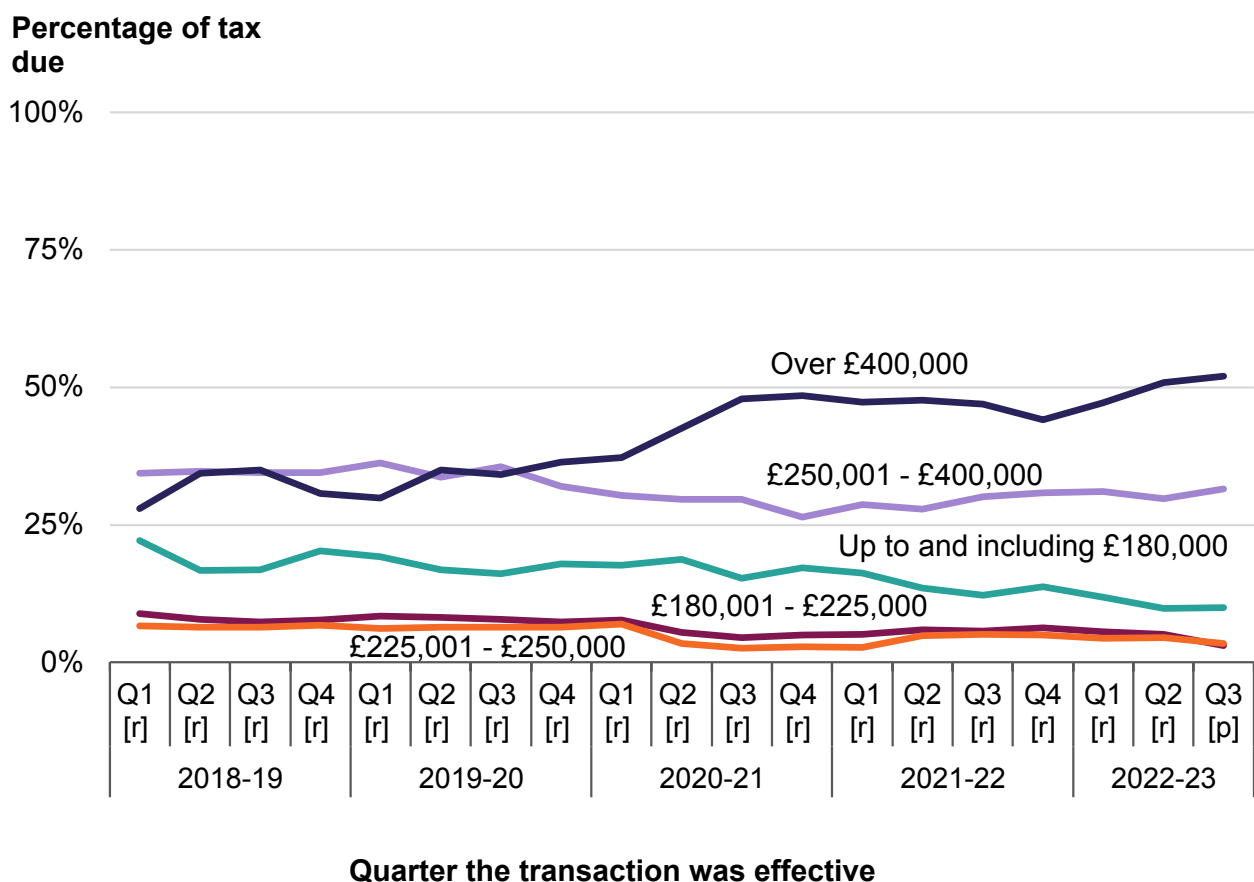
**Figure 3.2a Tax due on residential transactions, by residential tax band and quarter the transaction was effective [£ million] [note 1]**



The line chart shows that the quarterly amounts of tax due in the upper value tax

bands increased considerably in the past 2 years, over the preceding 2 years. In July to September 2022, the amount of tax due deriving from the 'over £400,000' band was the highest quarterly value seen to date, before declining slightly in the most recent quarter.

**Figure 3.2b Percentage of residential tax due in each tax band, by quarter the transaction was effective [note 1]**



The line chart shows that in October to December 2022, the percentage of residential tax due deriving from the 'over £400,000' band was the highest quarterly value seen to date, at just over half. Conversely, the percentage of tax

due deriving from the 'up to and including £180,000' band was the joint lowest quarterly figure seen to date, representing a tenth of residential tax due.

Source: **LTT statistics by time period and residential transaction value on StatsWales**

[Note 1] This chart excludes any tax due from the additional transactions shown in Table 1.2.

[p] Values for October to December 2022 are provisional and will be revised in a future publication.

[r] Values for July to September 2022 and earlier have been revised downwards in this publication. This is to account for refunds of the higher rates of residential tax being paid out.

Figures 3.2a and 3.2b show quarterly trends in **tax due**, and percentage of tax due, in each tax band. As with Figures 3.1a and 3.1b previously, we have combined the largest 3 tax bands here to show results for properties purchased for more than £400,000.

For the '£250,001 to £400,000' and over £400,000 bands shown in Figure 3.2a, the amounts of tax due in July to September 2022 were the highest values seen to date, before declining slightly in the latest quarter. These increases in tax due to July to September 2022 are mainly driven by increases in the value of properties involved. In each band, the tax due in January to March 2022 fell from the previous quarter, as would be expected due to seasonal trends in the property market.

As expected, between April to June 2021 and July to September 2021, there was an increase in the average value of tax due per transaction between £180,000 and £250,000. Up to June 2021, the **temporary reduction in LTT rates for main rate residential transactions introduced on 27 July 2020**

more than offset the **increase in the higher rates element of LTT introduced on 22 December 2020**. With the temporary rate reduction period having ended on 30 June 2021, the average tax due per transaction in this band increased in July to September 2021.

Figure 3.2b shows that the quarterly percentage of tax due on properties with a value over £400,000 was around 30% to 40% up to March 2020. Since then, this percentage has varied between around 40% and 50%.

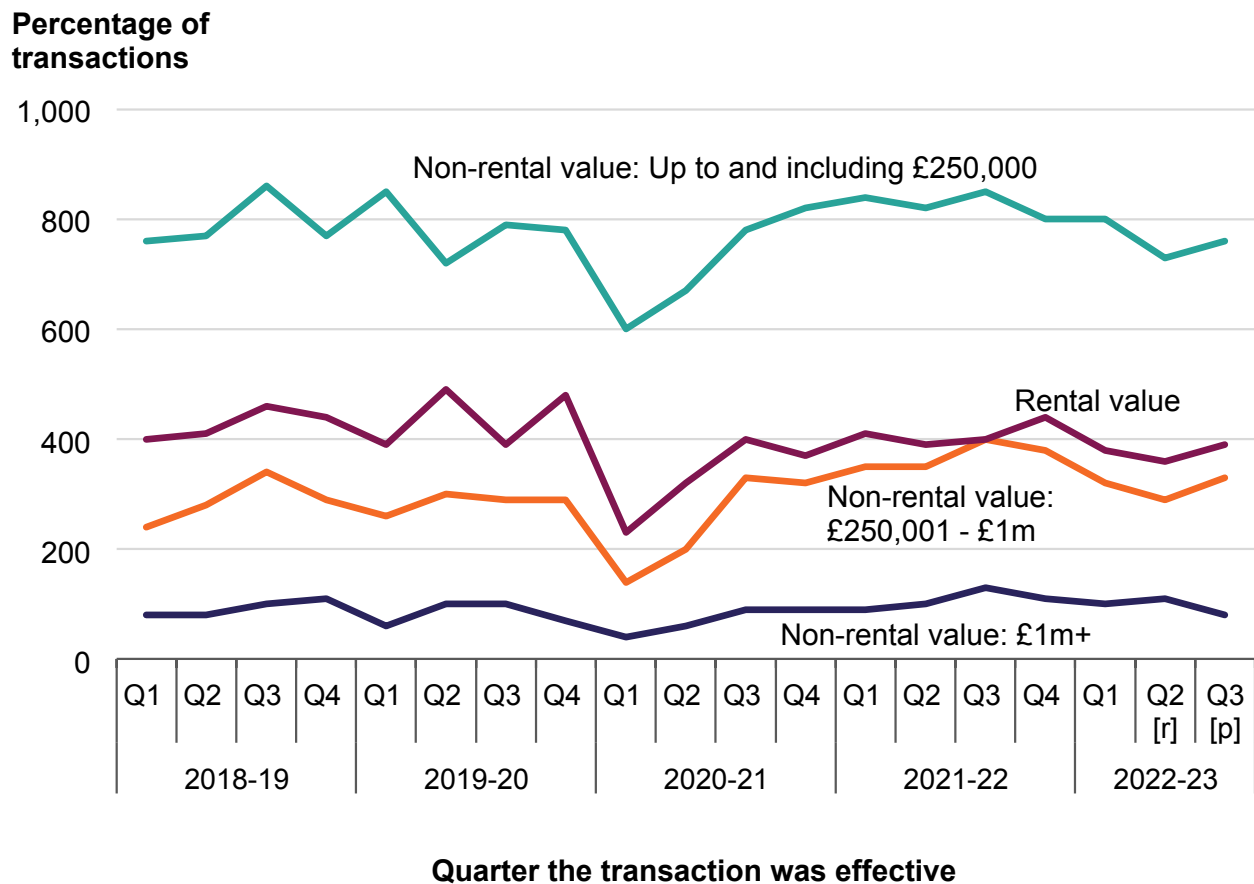
Although the main tax rate is 0% on residential transactions of up to £180,000, in October to December 2022 these transactions still accounted for 10% of total residential tax due, which relates to the higher rates residential component of the tax. The corresponding figure in April to June 2018 was 22% and has fallen in each April to June since then, but with seasonal variations in the percentage during other quarters of the year.

[Back to top](#)

## Non-residential transactions by value

Throughout this release, any use of the term ‘non-residential’ includes transactions that are not wholly residential. That is, those transactions which have both residential and commercial elements.

**Figure 4.1 Number of non-residential transactions, by value and quarter the transaction was effective**



The line chart shows that the number of non-residential transactions in the 4 bands presented fell substantially in April to June 2020. The numbers of transactions recovered in the following quarters while smaller fluctuations have been seen in the past 2 years.

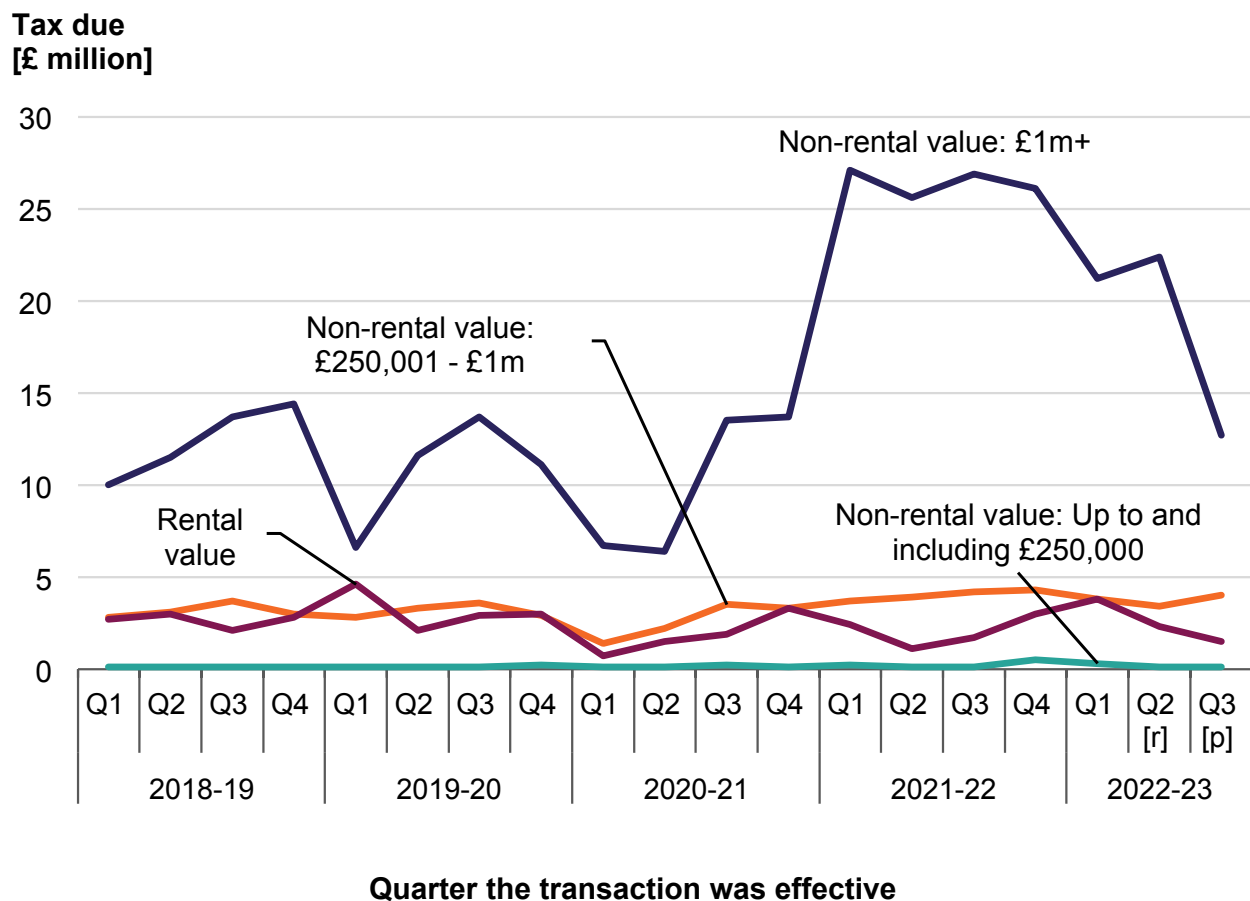
Source: [LTT statistics by time period and non-residential transaction value on StatsWales](#)

[Note 1] A small number of newly granted leases have both a premium paid and a rental value. Therefore these transactions are included twice in Figure 4.1, under both the non-rental value and the rental value.

[p] The values for October to December 2022 are provisional and will be revised in a future publication.

[r] The values for July to September 2022 have been revised in this publication.

**Figure 4.2 Tax due on non-residential transactions, by value and quarter the transaction was effective [£ million] [note 1]**



The line chart shows that the quarterly tax due from non-rental value of properties over £1 million was considerably higher in each quarter from April 2021 to September 2022, than October to December 2022 or the preceding quarters. The tax due from this category was considerably higher than the other 2 non-rental bands presented and the rental value.

Source: [LTT statistics by time period and non-residential transaction value](#)

[Note 1] This chart excludes any tax due from the additional transactions shown in Table 1.2.

[p] The values for October to December 2022 are provisional and will be revised in a future publication.

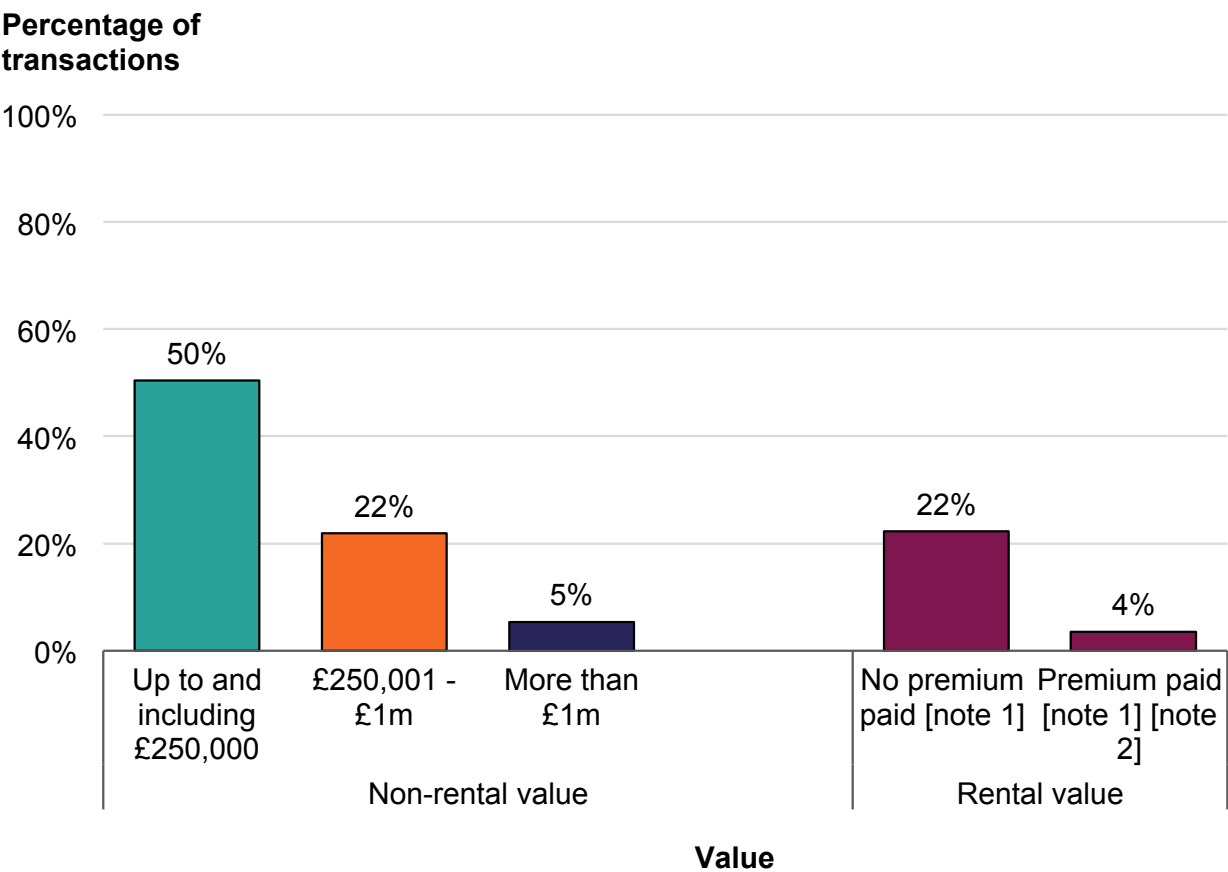
[r] The values for July to September 2022 have been revised in this publication.

For each tax band, Figures 4.1 and 4.2 show the quarterly trends in the number of **non-residential transactions** and tax due. There are 4 tax bands for the non-rental value. We have combined the smallest 2 bands here to show results for properties with a non-rental value less than £250,000.

Figure 4.1 shows that in April to June 2020, the number of transactions in each value band fell to the lowest quarterly values seen to date, before recovering over the following months. Please see commentary in previous releases to understand the impact of coronavirus (COVID-19) on transactions. From April 2021 to September 2022, the quarterly tax due in the category 'Non-rental value: £1m+' has been particularly high. This is due to small numbers of large transactions. In October to December 2022, there have been fewer such transactions, contributing to a decline in quarterly revenues.

Figure 4.2 shows that in each three-month period since April 2018, around 50% to 85% of the tax due has been contributed by transactions with a non-rental value greater than £1 million. With the exception of April to June 2019 (at 33%), in each three-month period up to March 2021, around 10% to 20% of the tax due has been contributed by the rental value of non-residential properties. This percentage fell to around 5% to 10% in each three-month period from April 2021, although was 13% in April to June 2022.

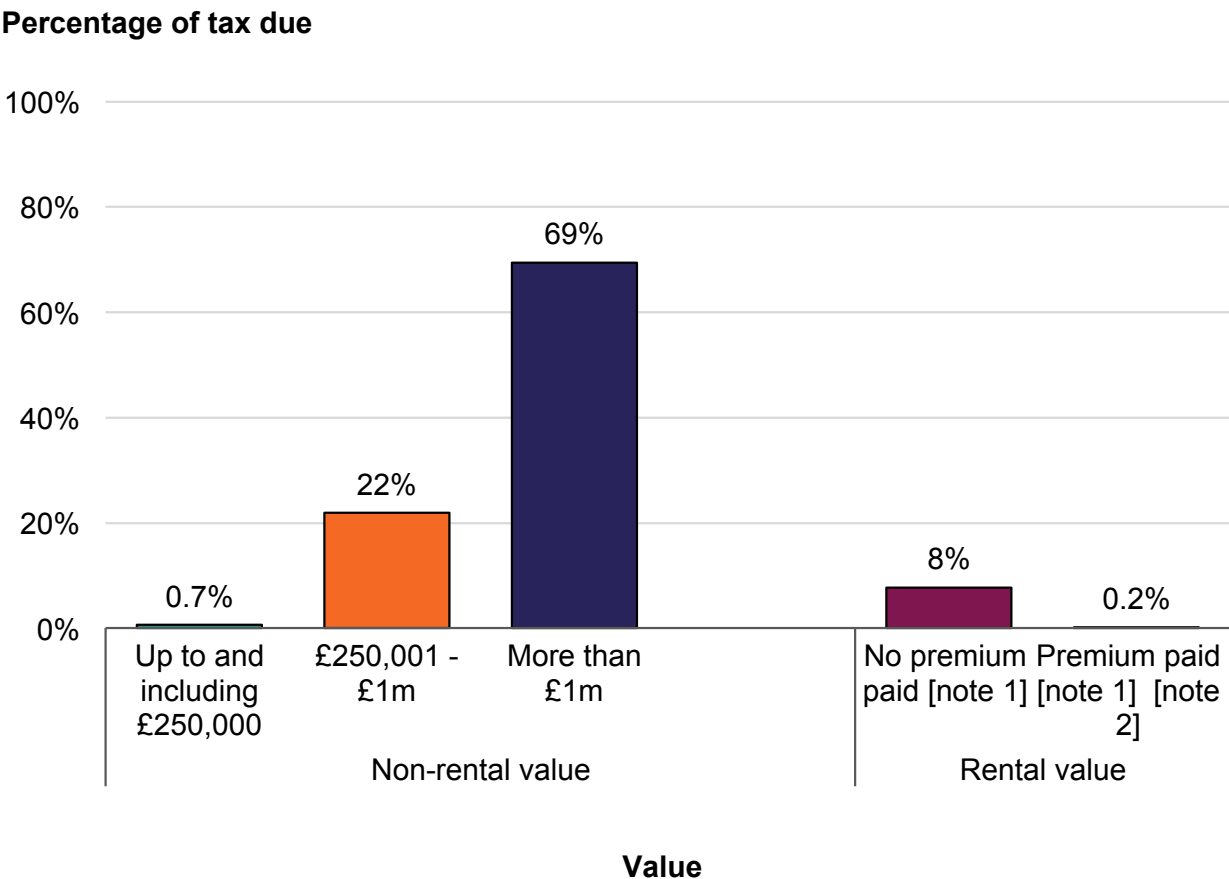
**Figure 4.3 Percentage of non-residential transactions in each value band, October to December 2022 [provisional]**



The bar chart shows that in October to December 2022, half of non-residential transactions had a non-rental value of up to and including £250,000, and just over a fifth had a non-rental value between £250,001 and £1 million. Just over a quarter of non-residential transactions had a rental value associated with the transaction, which contributed to the tax paid.

**Figure 4.4 Percentage of tax due on non-residential**

# transactions in each value band, October to December 2022 [provisional]



The bar chart shows that in October to December 2022, over two-thirds of non-residential tax due derived from the non-rental value of transactions worth more than £1 million. Less than a tenth of the non-residential tax due was derived from the rental value of transactions.

Source: [LTT statistics by time period and non-residential transaction value on StatsWales](#) (includes data back to April 2018, not presented above)

[Note 1] The term 'premium' is more accurately described as 'consideration other than rent'. In most cases, the premium paid will be in the form of a cash value, but could take another form.

[Note 2] Transactions with both a rental value and a premium paid are counted twice in the number of transactions (in Figure 4.3). The tax due for these transactions is counted once (in Figure 4.4).

Figure 4.3 shows that in October to December 2022, 5% of **non-residential transactions** had a non-rental value of more than £1 million. These transactions accounted for 69% of the non-residential tax due (Figure 4.4). A small number of very large non-residential transactions influenced this percentage.

Figure 4.3 also shows that for 26% of non-residential transactions in this period, a rental value was associated with the property (which contributed to the tax paid on the transaction).

The rental value of non-residential properties accounted for 8% of the total non-residential tax due (Figure 4.4).

[Back to top](#)

## Reliefs

Taxpayers can claim **reliefs** on both residential and non-residential transactions. Reliefs reduce the amount of tax due when certain conditions are met. More than one relief can be applied to a single transaction.

Reliefs may reduce the tax due:

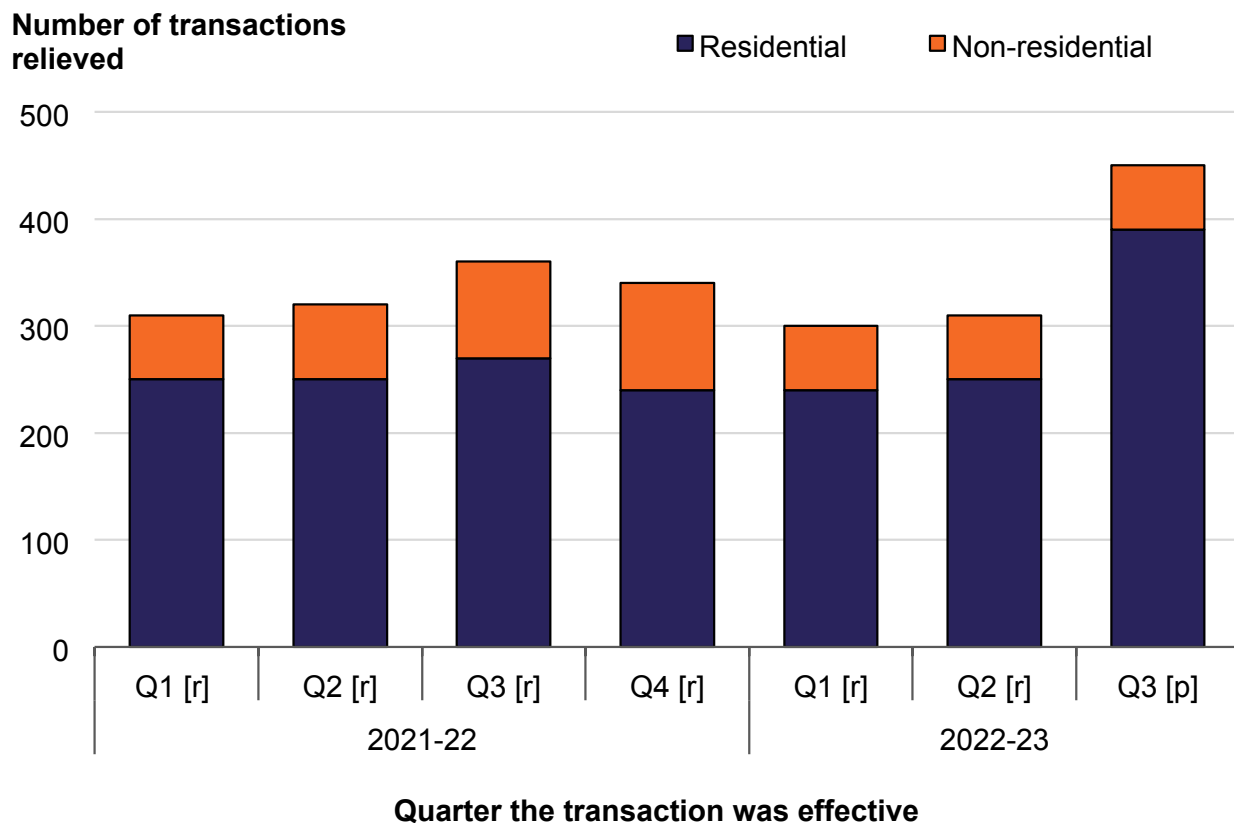
- to zero, known as a full relief
- or by a certain percentage or amount, known as a partial relief

## Improving our estimates of tax relieved for linked transactions

In this edition of our release, we have improved our estimates for the amount of tax relieved for **linked transactions**. This applies to our quarterly and annual estimates back to April 2018. This has resulted in modest revisions upwards for the total amount of tax relieved, of around £1 million or less in each quarter.

A small number of transactions each quarter are now recorded as having a relief which impacts the value of tax due, instead of a relief which did not impact on the value of tax due. This has resulted in generally small revisions upwards in the quarterly number of transactions relieved which had an impact on tax due. Similarly, there have been generally small revisions downwards in the quarterly number of transactions relieved which did not have an impact on tax due.

**Figure 5.1 Number of transactions relieved which had an impact on tax due, by quarter the transaction was effective**



The bar chart shows that between April 2021 and December 2022, the quarterly number of reliefs claimed varied between around 300 to 450. The number of reliefs claimed on residential transactions was higher than for non-residential transactions in each quarter.

Source: [LTT statistics on reliefs impacting on tax by measure and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

[p] Values for October to December 2022 are provisional and will be revised in a future publication.

[r] Values for July to September 2022 and earlier have been revised in this publication.

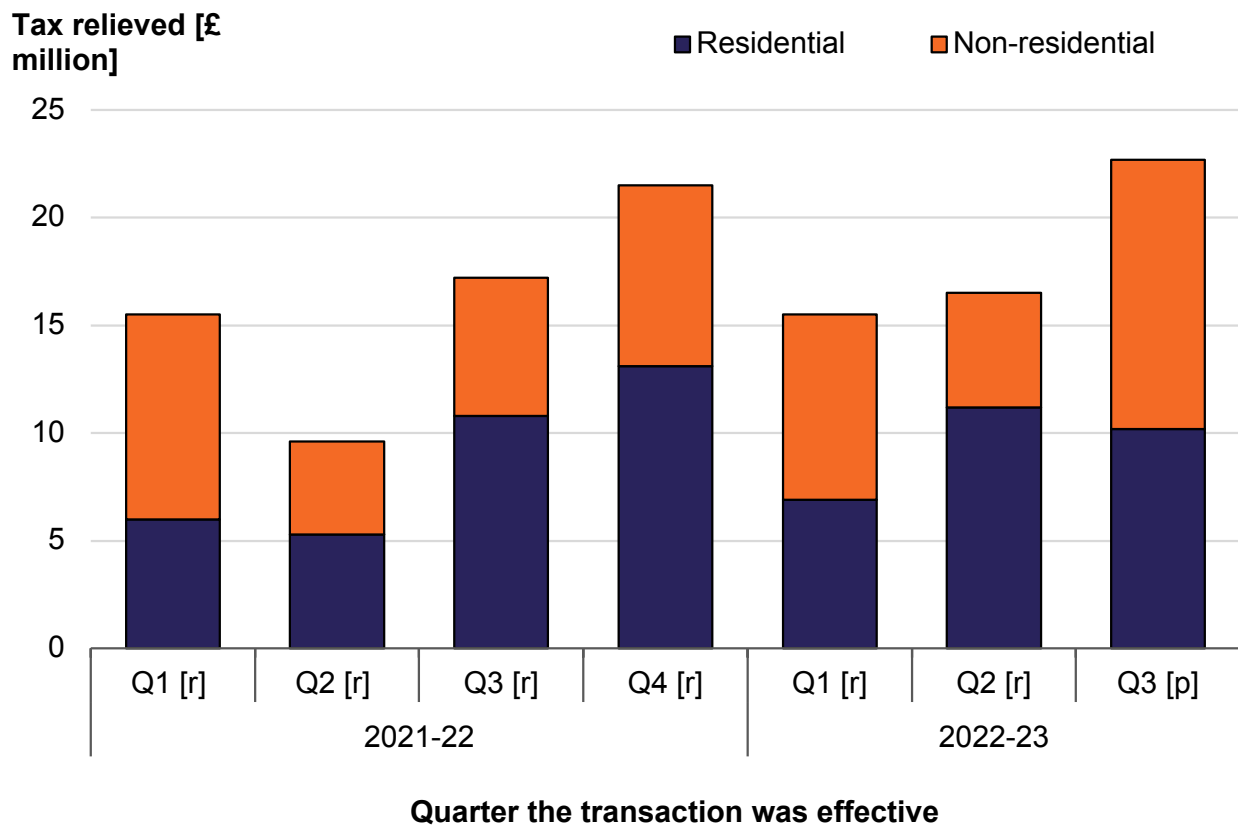
There were 450 transactions in October to December 2022 with reliefs applied to them that reduced the associated tax due. This is higher than the 360 such transactions in October to December 2021.

For each three-month period, the numbers of reliefs claimed on residential transactions was higher than for non-residential transactions.

On average, there are around 100 reliefs claimed in each three-month period which had no impact on the tax due. These reliefs are excluded from Figure 5.1. Many of them have been reported unnecessarily by the organisations completing the tax return.

As an example, some of these mistakenly claimed reliefs apply to low value residential transactions. Indications are that they are due to a perceived but mistaken need to claim first time buyer relief (which applies for the predecessor tax, but not to LTT). This is known following queries raised with several agents asking why tax reliefs have been claimed where there is no impact on value of the tax. Further information about this category of reliefs is provided in [example 4 in our quality information](#).

**Figure 5.2 Tax relieved, by quarter the transaction was effective [£ million] [note 1]**



The bar chart shows that in April 2021 to December 2022, the quarterly value of reliefs claimed varied considerably, between around £10 million to £23 million. Since April 2018, the quarterly value of non-residential reliefs claimed was generally higher than for residential reliefs, though there has been greater parity since 2021.

Source: [LTT statistics on reliefs impacting on tax by measure and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

[Note 1] This chart excludes any reliefs which may have been claimed on the additional transactions shown in Table 1.2.

[p] Values for October to December 2022 are provisional and will be revised in a future publication.

[r] Values for July to September 2022 and earlier have been revised in this publication.

The value of reliefs claimed in each three-month fluctuates considerably over time, along with the share of the value from residential or non-residential transactions. In most three-month periods since April 2018, non-residential transactions contribute over half of the total value of reliefs claimed. However, several large residential transactions in October to December 2021, January to March 2022, and July to September 2022 contributed to residential reliefs being considerably larger than non-residential reliefs.

Further data on reliefs is available on StatsWales at the link above, including quarterly data by type of relief.

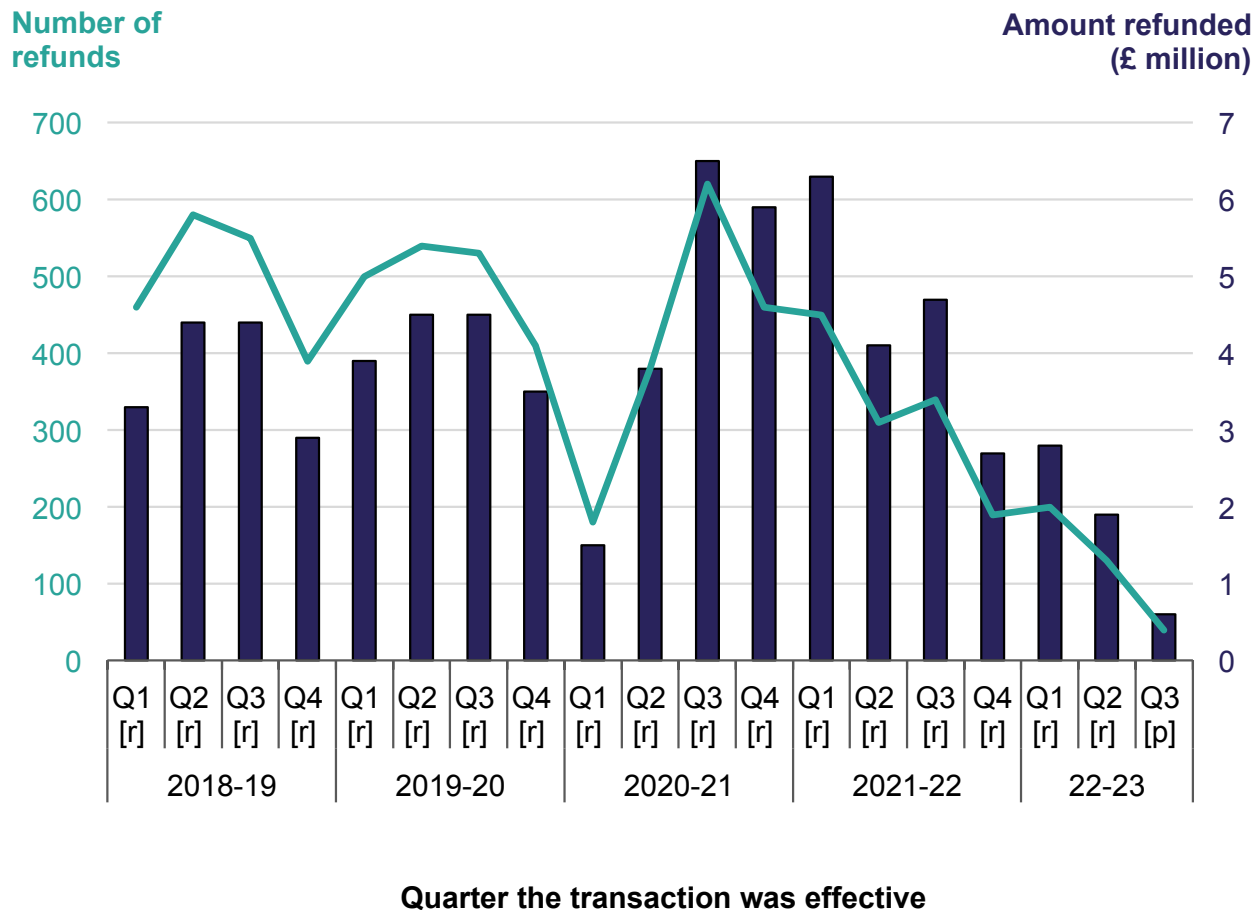
[Back to top](#)

## Higher rate refunds

When a taxpayer claims a [refund for higher rates residential LTT](#), the original transaction is amended to a main rate residential LTT transaction. The data in this release is adjusted for any refunds approved by WRA up to and including 16 January 2023.

### Figure 6.1 Number and value of refunds of higher rates

## residential issued, by effective date



The bar and line chart shows that for data by quarter the transaction was effective, the number and value of higher rates refunds claimed has varied considerably. The quarterly values have generally declined since April to June 2021 as for the more recent periods, less time has elapsed for taxpayers to sell their previous main residence and claim their refund.

Source: [LTT statistics on higher rate refunds by original transaction date on StatsWales](#)

[p] Values for October to December 2022 are provisional and will be revised in a future publication.

[r] Values for July to September 2022 and earlier have been revised in this publication.

(not shown in Figure 6.1) Cumulatively, 7,260 higher rate refunds were claimed for transactions effective in April 2018 to December 2022, with £72.1 million refunded to taxpayers.

Taxpayers have up to 3 years to sell their previous main residence and claim a refund. Therefore, all the values in Figure 6.1 will continue to be revised upwards in future editions of our statistics. This will lead to the total tax due in other tables and charts reducing.

The number and value of refunds presented for October to December 2022 is lower than for earlier periods. This is because compared with earlier periods, not enough time has passed since the transaction was effective for many of the relevant taxpayers to sell their previous main residence and claim their refund.

## **Refunds of higher rates residential by date the refund was approved**

Another useful way of presenting data on higher rates refunds is to use the date when the refund was approved by the WRA. A dataset using these dates and the effective date of the original transaction can be found on the StatsWales website at the link below.

**LTT statistics on higher rate refunds by original transaction date and refund approved date on StatsWales**

## Refunds of higher rates residential (cash basis)

Further information on the refund payments made to taxpayers, by the month in which they were made, can be found at the link below.

[LTT statistics on tax paid and higher rate refunds \(cash basis\) on StatsWales](#)

In the main, these additional data are provided to support forecasting requirements.

## Intention to claim a refund of the higher rates element

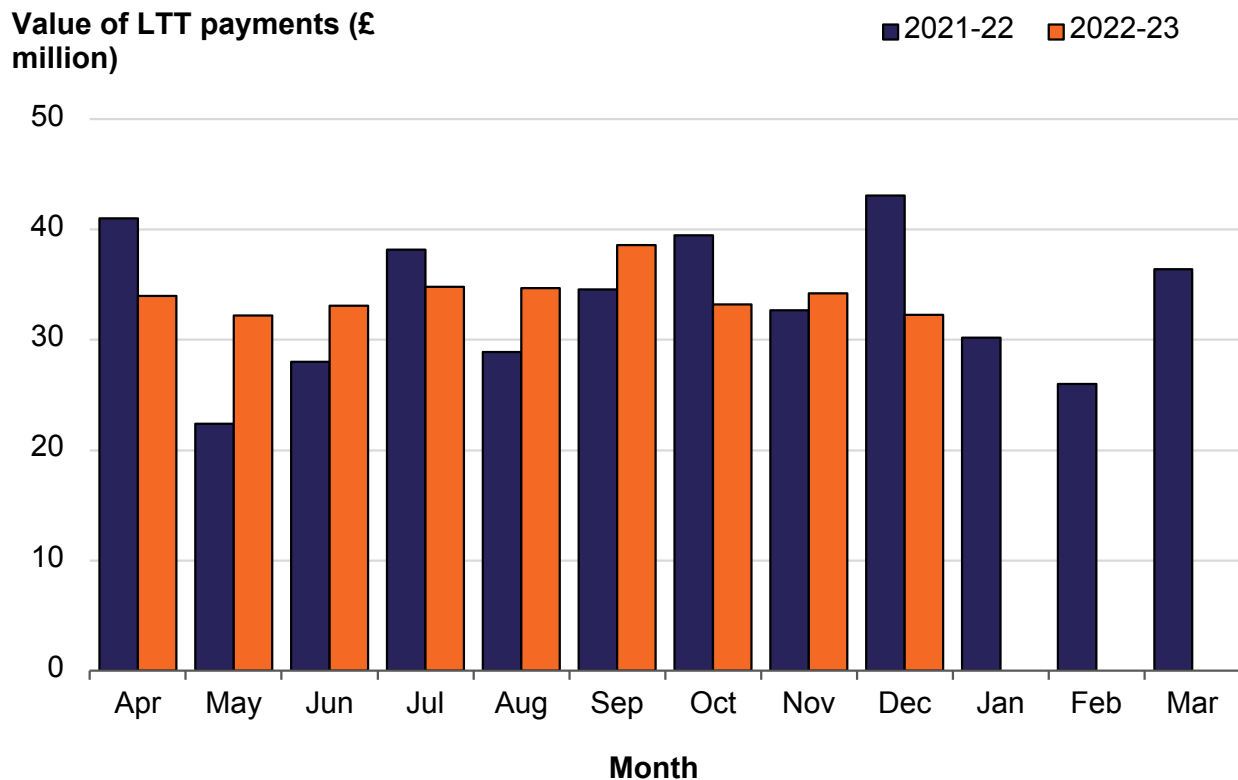
For all higher rates transactions, the WRA asks the question whether the taxpayer intends to reclaim the higher rates element in future. It will take several years before we know how likely someone is to claim based on their stated intentions (it can take up to 3 years to make the claim). But we do currently know that around 70% of those who do claim answer this question in the positive.

[Back to top](#)

## Tax paid

Please note that in this release, we have made small corrections to tax paid statistics previously published in December 2022.

**Figure 7.1 Land Transaction Tax (LTT) paid to the Welsh Revenue Authority (WRA) [£ million]**



The bar chart shows that in April 2021 to December 2022, there has been no clear pattern in the monthly amount of LTT paid. The highest monthly value occurred in December 2021.

Source: [LTT statistics on tax paid and higher rate refunds \(cash basis\) on StatsWales](#) (includes data back to April 2018, not presented above)

In October to December 2022, the WRA received £99.7 million in LTT payments. This is 13% lower than the £115.3 million received in October to December 2021. As described in the '[About these statistics](#)' section of this release, it is

more appropriate to make comparisons of the current period against October to December 2021 than the previous quarter (July to September 2022).

These values are different to those reported in Figure 2.3 as they relate to the payments **received** in each month (often referred to as 'on a cash basis'). This differs from earlier data presented in this release which is based on transactions that were **effective** in the month.

Please also note that the data in Figure 7.1:

- is presented net of higher rate refunds being paid out in a particular month
- includes penalties paid (such as for late filing or late payment) and also interest paid on previous LTT debt
- will not include a relatively small amount of unpaid LTT, which we are managing through our debt management processes

The highest monthly receipts seen to date were in December 2021 (£43.1 million). Usually, monthly trends in payments made are partly influenced by tax due reported at the end of the previous month. However, it is more likely that tax due reported in December is paid in December, along with payments related to transactions in late November. This is because of Christmas holidays and low levels of transactions reported and tax being paid at the end of December, with many transactions brought forward and settled before the last week of the month.

[Back to top](#)

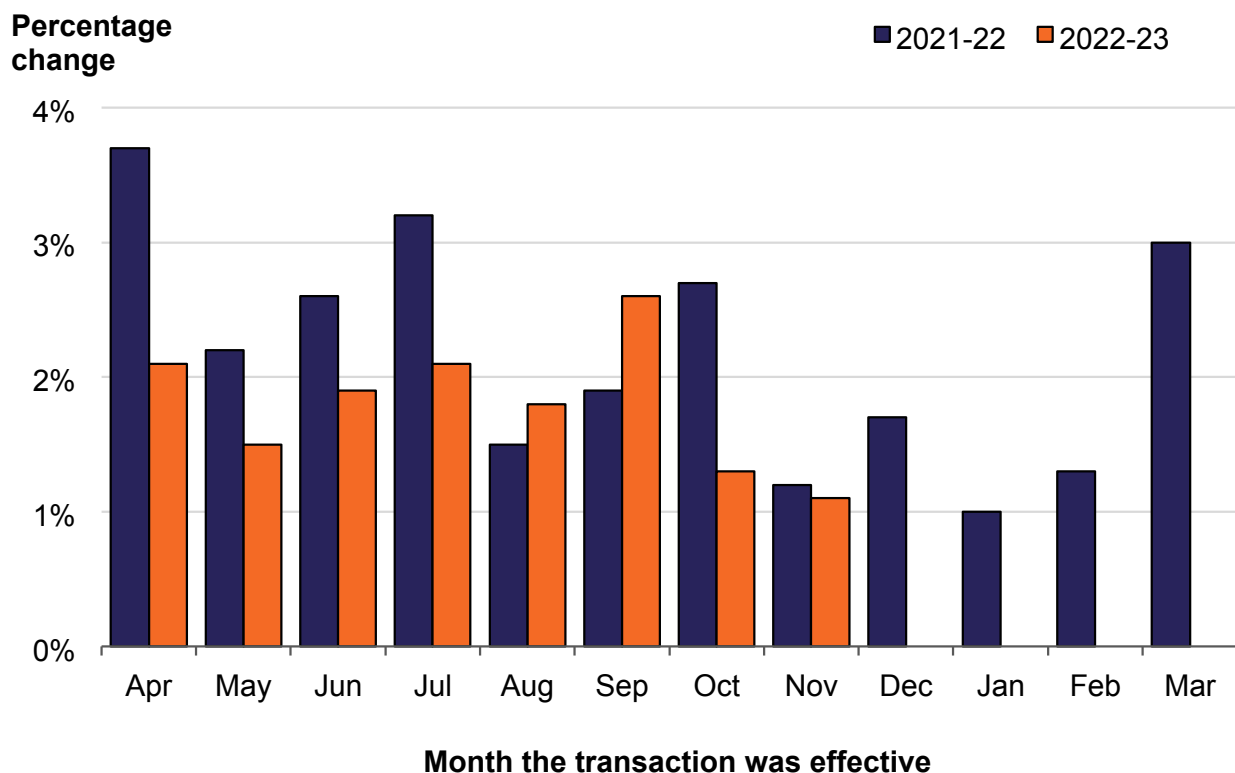
## Annex: Analysis of revisions

We analyse here the effect of the regular revisions made to Land Transaction Tax statistics. We analyse the differences between the first, second and third

estimates published for a month. This is for both the number of transactions and the tax due.

For example, we have published 3 estimates for October 2022. We published the first estimate on 25 November 2022, published the second estimate on 23 December 2022 and the third estimate on 26 January 2023.

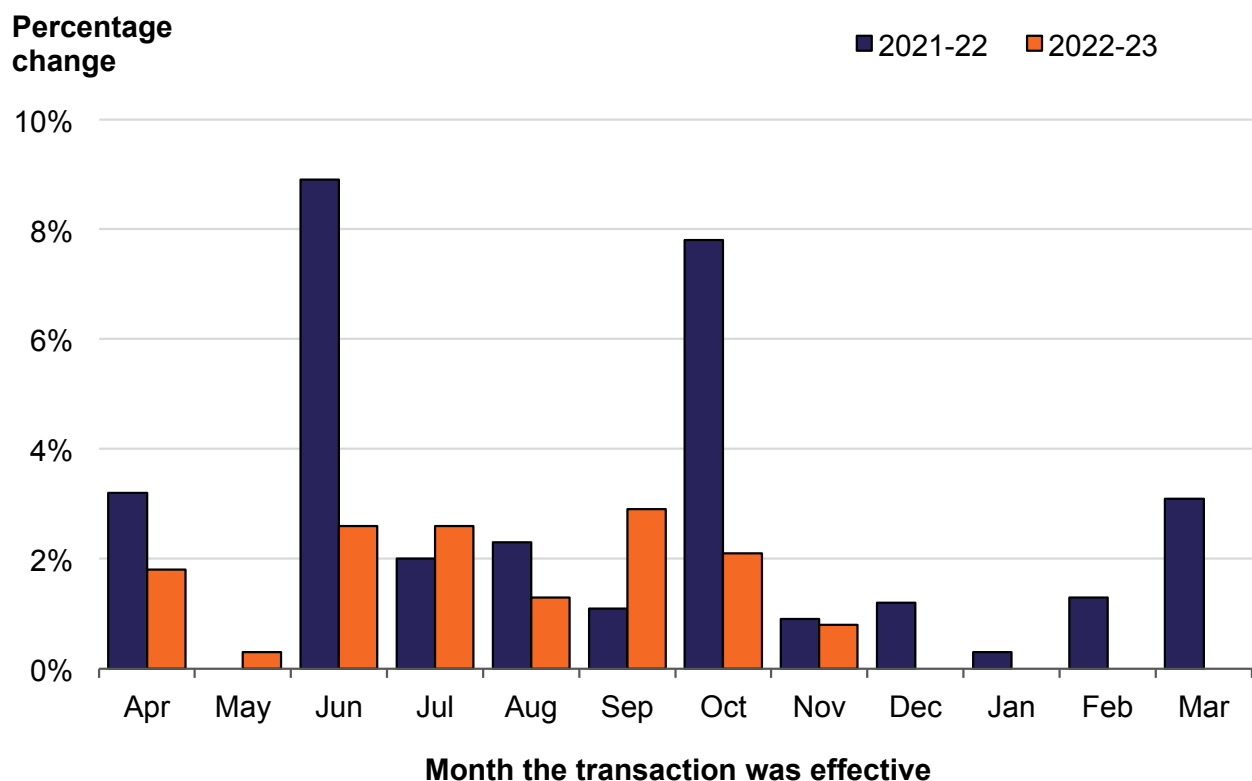
**Figure A1 Number of transactions: Percentage change between the first and second estimates, by month the transaction was effective**



The bar chart shows that in April 2021 to March 2022, the percentage change between the first and second estimates of monthly transaction numbers varied

between around 1% to 4%. In April to November 2022, the equivalent figure varied to a lesser degree, between around 1% to 3%.

**Figure A2 Tax due: Percentage change between the first and second estimates, by month the transaction was effective**



The bar chart shows that in April 2021 to March 2022, the percentage change between the first and second estimates of monthly tax due has varied considerably, between around 0% to 9%. In April to November 2022, the equivalent figure varied to a lesser degree, between around 0% to 3%.

Source: **Percentage change between the first and second estimates, by month transaction was effective (Open Document Spreadsheet, 106 KB)**  
(includes data back to April 2018, not presented above)

Since August 2018, revisions between the first and second monthly estimates for transactions and tax due have generally been upwards and between 0 and 5%. Exceptions since April 2021 were:

- June 2021 (tax due was revised upwards by 9%)
- October 2021 (tax due was revised upwards by 8%)

These exceptions are generally due to a small number of larger value returns arriving towards the end of the 30-day notification period.

As analysed in previous releases, revisions were generally higher in the several months after April 2018 when the WRA began collecting LTT. The lower level of revisions generally seen now is likely to be due in part to an increasing familiarity with the system amongst solicitors and conveyancers completing the returns. It is consistent with a general decrease in the time taken for returns to be filed with the WRA over the same period (not shown in tables or charts).

There may also be seasonal effects in revisions to the data, although we will need further data over the coming years to assess this.

## **Revisions between second and third published estimates**

In a spreadsheet published alongside this statistical release, Tables A1 and A2 show the difference between first, second and third published estimates for a month.

We see relatively small increases between the second and third estimates for a month. In general, this is also the case for the later estimates for a month (not

shown in the tables). However, falls may be seen in the second, third and later estimates of tax due for a month. This is because the data are shown net of any refunds for higher rate residential transactions. These refunds may be claimed several years after the effective date of the original transaction. Please see the 'higher rates refunds' section of this release for further analysis.

In general, we see larger revisions in the data on non-residential transactions than for residential transactions. This reflects the more volatile nature and often larger size of non-residential transactions.

[Back to top](#)

## Links to quality information and glossary pages

Our [quality information](#) page describes how our Land Transaction Tax statistics meet the Code of Practice for Statistics and the dimensions of value, trustworthiness and quality.

We define relevant terms in the [glossary](#) as they are used in this release.

[Back to top](#)

## Feedback and contact details

We would be grateful for your feedback on these statistics, to help us improve them. Please contact us using the details below.

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Rydym yn croesawu galwadau a gohebiaeth yn Gymraeg / We welcome calls and correspondence in Welsh.

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**Telephone:** 03000 254 770

**Email:** [news@wra.gov.wales](mailto:news@wra.gov.wales)

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Awdurdod Cyllid Cymru  
Welsh Revenue Authority



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